

**NOT PROTECTIVELY MARKED**

## SUPPLY CHAIN WORKING GROUP

|                                    |                                                                                                                                                                                                                                                         |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Meeting Type:</b>               | DoO Governance Group Meeting                                                                                                                                                                                                                            |
| <b>Date:</b>                       | 28th July 2025                                                                                                                                                                                                                                          |
| <b>Venue:</b>                      | MS Teams                                                                                                                                                                                                                                                |
| <b>Meeting Chair:</b>              | Ian Pease (SCC)                                                                                                                                                                                                                                         |
| <b>Attendees:</b>                  | SZC – Paul Warmington (PW), Tim Johnson (TJ), Jen Mills (JM) - Observer, Rick Watler (RW) – Observer, Olivia Cairney (OC) - Observer<br>SCC – Ian Pease (IP)<br>ESC – Simon Charlesworth (SC)<br>Suffolk Chamber of Commerce: Ashley Shorey-Mills (ASM) |
| <b>Apologies:</b>                  | Ryan Phelan (SZC), Damian Leydon (SZC)                                                                                                                                                                                                                  |
| <b>Meeting Record produced by:</b> | Caitlin Murphy (SZC)                                                                                                                                                                                                                                    |
| <b>Next Meeting Date:</b>          |                                                                                                                                                                                                                                                         |

### Summary / Key Discussion

#### Meeting Notes:

##### Safety Message

- Healthy hydration: drinking enough water can regulate body temperature

#### Actions raised during the meeting:

| Date Raised                   | Ref. | Description                                                                                                                                                                | Lead | Date Due     |
|-------------------------------|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|--------------|
| 27 <sup>th</sup> January 2025 | 1    | SZC will provide a forward plan for monthly supply chain meetings, including a rolling four-month schedule, to keep SCWG participants informed and engaged in the process. | SZC  | Next meeting |
| 27 <sup>th</sup> January 2025 | 2    | SCC to share with SCWG members details of existing business support programmes available to businesses in Suffolk                                                          | SZC  | Closed       |
| 27 <sup>th</sup> January 2025 | 3    | PQQ to be shared with group once finalised                                                                                                                                 | SZC  | Next Meeting |

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| 27 <sup>th</sup><br>January<br>2025 | 4 | PW to provide a date for when SZC's supply chain data will be available for sharing, establishing a commitment to the 12-month data sharing cycle outlined in the DoO | SZC  | Next Meeting |
| 29 <sup>th</sup><br>January<br>2025 | 5 | Individual working groups to maintain a risk register and include it in their regular reports to the Economic Review Group.                                           | SCWG | Closed       |
| 29 <sup>th</sup><br>January<br>2025 | 6 | SCWG to provide a timeline for the Supply Chain Skills Programme, and provide an update at the next ERG session regarding how the programme will be advanced.         | SCWG | Next Meeting |

### SZC Supply Chain Working Group Purpose Statement

- The group revisited its purpose, function, and scope as outlined in the Terms of Reference to ensure continued alignment. Members confirmed agreement and alignment moving forward.

### Review of Previous Actions

- Action 1: IP to confirm dates.
- Action 2: Closed.
- Action 3: Document to be shared at the next informal meeting.
- Action 4: Data anticipated for sharing by the end of September.
- Action 5: Risk register to be addressed under the agenda item.
- Action 6: Programme timeline update to be provided in September.

### General Activity Update (TJ)

- Site delivery operations are gaining momentum.
- A number of frameworks are now in place with local organisations providing day-to-day support, alongside regional organisations successfully securing competitive tenders.
- Notably, contracts have been awarded for major road upgrades and a framework supporting onsite activities through performance and growth. A critical site development package has also been secured, demonstrating both the project's commitment to local procurement and the ability of local firms to compete successfully.
- Existing partnerships are progressing well, including support for bulk earthworks and enabling temporary construction activities. The organisation and supply chain continue to mature, strengthening site delivery.
- TJ reaffirmed the commitment to ensure Tier 1 contractors also cascade opportunities into the wider supply chain, driving local and regional economic growth. A key focus is engaging Tier 1s from outside the area to secure their commitment to supporting local organisations.
- Current workforce numbers: approximately 1200 personnel are active onsite, with the majority understood to be drawn from the local area.
- Civil Works Alliance (CWA):
  - The Programme Alliance Agreement (PAA) has been signed, confirming CWA's formal operation.
  - The first ToC package is in preparation, with client approval expected shortly. This will trigger mobilisation and allow the alliance to establish systems, processes, and responses aligned with the client schedule.
  - Work is underway to structure engagement with the Chamber of Commerce. Larger contracts are being let either as single-source awards or structured sub-alliances.
- Engagement & Workforce: Recruitment remains dependent on specific skills in limited supply. Continued collaboration with ESEWG will be essential to share information and strengthen relationships. Strengthening this partnership is a priority action for the coming months.

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### Action – Group to determine best way to engage with ESEWG and strengthen this relationship

#### Supply Chain Work Plan

- ASM reported that supply chain documents are updated and shared with the project on a monthly basis. The forward look has now been finalised, providing a joined-up plan that demonstrates engagement both with project needs and with local/regional supply chains.
- Increasingly, Tier 1 contractors are initiating contact. Work is ongoing to engage those who have not yet reached out.
- Early discussions have begun with the MEH alliance and other parts of the project (e.g., conventional island, balance of plant). The focus is on aligning Tier 1 engagement strategies, identifying opportunities with repeat contractors, and considering how this can contribute to long-term legacy outcomes.
- Biweekly meetings with the SZC communications team are helping to align communications plans and ensure positive stories are shared effectively.
- PW highlighted existing supply chain communities across SZC, including the site delivery group. The intention is to provide visibility of SZC procurement needs over the next 6–12 months, distinguishing between national and local suppliers. This will inform delivery and contracting plans, as well as engagement activities.
- Supporting this is the “Making Businesses Better” initiative, which leverages the new PQQ (Sizewell Essential Standards) and aligns with CWA and wider industry standards. Insights gathered will inform business engagement events planned for August/September.
- SZC remains committed to transparency around which contracts have been awarded, but note that governance processes can be lengthy.
- SC raised confidence in information that is available publicly, and noted that information available through CompeteFor (opportunities, forward look, and awarded contracts) and Chamber LinkedIn posts is useful. Suggested that a quarterly highlight report would help summarise opportunities, awarded contracts, and Chamber engagement activities - provided confidence in CompeteFor data can be maintained.
- Once the business support service and funding programme are launched, these can be aligned with Chamber and project communications to strengthen reporting.
- OC confirmed that CWA will produce procurement activity reports throughout all stages.

#### Local Supply Chain Capability Program Update

- SZC has introduced a new PQQ, which defines the Essential Standards. From this, a question set has been developed and scored, allowing companies to be categorised as ready, almost ready, or not ready.
- The next step is to publish this framework on the SZC supply chain website. Work is underway with the EAU team to ensure capability requirements are captured, supporting a smoother induction process for local businesses and their workforces.
- Once live, all companies will be invited to complete a self-assessment against the new questions. This will generate data to measure readiness levels across businesses and share progress with SCWG. SZC has committed to reporting how many companies are at each stage, their locations, and the next steps for support.
- Data will be analysed to help shape targeted business improvement programmes. The website and self-assessment tool will play a central role in guiding companies towards available support.
- When companies are put forward for tender opportunities - either via the Chamber or by responding to an EOI - an assurance visit will be triggered. ASM's team will then complete a short Training Needs Analysis (TNA), creating a tailored improvement programme for that business.
- Feedback loops are being established with the PQQ and ITT processes. If local or regional businesses are unsuccessful, they will receive feedback on strengths and areas for improvement.
- By the next informal meeting, initial data is expected to be available for discussion. ASM anticipates the system being live within a month, with webinars planned for September and October to support rollout. Once tested and refined, a wider PR campaign will encourage businesses to update their information.

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- SC asked whether responsibility for improvement sits with businesses themselves or with SZC. PW confirmed it is shared.
- ASM emphasised the importance of making improvement needs clear and directing businesses to existing support. This will be reinforced by the upcoming webinar series, workshops, and targeted engagement events.

### Strategic Catering SZC

- TJ confirmed the catering strategy is being finalised and will be presented through a board paper. Three delivery options are under consideration:
  - Option 1 - Traditional: Contracting a Tier 1 provider to deliver the full service. This model is well understood and carries relatively low risk.
  - Option 2 - In-house: SZC to build and deliver the service directly. This is untested, but would give SZC full control of outcomes.
  - Option 3 - Hybrid: Work with a Tier 1 provider for scale and front-of-house capability, while SZC directly engages with local food producers to shape the supply chain.
- All three options are designed to deliver SZC's goal of sourcing 80% of food from local and regional producers.
- SZC is currently favouring the hybrid approach, which balances scalability with direct local engagement. Early market engagement with food producers has shown strong appetite for this model. An integrator (likely a Tier 1 partner) would help coordinate supply, while SZC retains influence over sourcing and relationships with local producers.
- Key risks include whether Tier 1 providers will accept a non-traditional model where SZC has direct involvement in the supply chain. Engagement with potential partners will continue over the next quarter. A full model is expected to be operational by Q3/Q4 2026.
- Interim arrangements:
  - With increasing workforce numbers and CWA mobilisation, catering capacity must be in place by October.
  - An interim strategy is being deployed, building on the success of the "Coffee Plus" social enterprise model, expanding it into the logistics centre, and working with local hospitality providers to establish a 12-month facility.
- Long-term ambitions include sourcing directly from local farmers, potentially dedicating fields for SZC produce, working with livestock producers to utilise whole animals, and building a secure, affordable, and high-quality supply chain.
- TJ stressed that this approach reflects SZC's commitment to doing things differently, creating a positive catering experience that supports workforce attraction and retention. Affordable, high-quality food is seen as an important factor in making the project an attractive place to work.
- TJ added that catering could also link to skills and employment opportunities. Given the challenges in attracting workers to the hospitality sector, SZC could provide valuable training pathways, working with colleges and providers to help people develop transferable skills

### Sizewell C Supply Chain Working Group Risk Register

- The group identified key risks to be monitored, which will be reviewed by ERG at their meetings to support mitigation planning.

**Action - SZC to review the risk register and provide feedback. PW report feedback at the next informal meeting, ahead of the next formal session.**

**Action - ASM to update the risk register from the Chamber side.**

### Local Authority Updates

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- Nuclear O&M Centre of Excellence (IP):
  - Discussions are ongoing between the Chamber, local authority partners, and SZC regarding the creation of a Centre of Excellence in Nuclear Operations & Maintenance (O&M). This would build on Sizewell B's existing capability and Sizewell A's legacy, alongside new operational reactors at SZC, positioning the region as a leader in nuclear engineering.
  - Politically, the concept has been under consideration within SCC for several years. More recently, political members have engaged in renewed discussions to define what such a centre might entail and how it could be developed, with growing support emerging.
  - Current focus includes two strands:
  - Building on earlier work (e.g., the nuclear prospectus), defining key areas of opportunity, and setting out 4–5 priority actions.
  - Establishing a formal body to take forward the vision and provide long-term governance.
  - Conversations have taken place with the Chamber and SCC on how to progress, starting with engagement of the Suffolk Business Board, and drafting an initial nuclear prospectus and broader vision.
  - While still at an early stage, momentum is building to take the proposal forward.
- SZC Deed of Obligations
  - Business Support Funding:
    - SC confirmed that within the SZC DoO, funding has been allocated to ESC for a business support service and a business support fund.
    - Previously, a consultancy was commissioned to review the local business support landscape, the needs of businesses, and the implications of SZC construction. The study has now been completed.
    - The key purpose of the study was to identify gaps, understand challenges and opportunities, and provide recommendations on how to allocate funding to maximise benefit for local businesses.
  - Findings and Gaps:
    - The business support landscape is in flux, with coordination gaps identified as a key weakness. Currently, support is provided by multiple organisations without a central coordinating function. This can lead to duplication and inefficiencies, as well as missed opportunities for cross-referrals and collaboration.
    - Strategic planning gaps were also noted, particularly in employment practices. Some businesses are losing staff to the project or its supply chain, highlighting a need for improved retention and recruitment processes.
  - Next Steps:
    - ESC will design and deliver the business support service to complement existing and forthcoming support, including the new Growth Hub commissioning in March.
    - The service will be flexible and agile to adapt to changes in the SZC construction programme and business needs. It will balance supporting opportunities presented by the project with mitigating potential negative impacts on local businesses.
    - The business support fund is being reframed. Instead of a general grant programme, selected businesses will be invited to apply to fund initiatives aligned with support plans delivered through the business support service. This ensures targeted impact and efficient use of resources.
    - Over the next few weeks, the business support service will be designed and a procurement strategy developed. The service model will be presented to ERG in September, with launch anticipated shortly after.
    - ERG oversight is required for grant funding approvals, as set out in the DOO. Processes are being designed to ensure proper governance and alignment with funding mechanisms.
- East Suffolk Employment Land Study
  - ESC will soon procure a land and property needs assessment to assess the impacts of SZC within Suffolk.

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- The study will analyse economic, environmental, and social effects of the project on commercial land use, property values, and business activities, with the aim of providing a comprehensive understanding of potential impacts on local businesses.
- Particular attention will be paid to emerging concerns such as water shortages, which could affect local business operations.

### AOB

- SCWG agree to keep meeting on a 6-monthly basis.

### Actions agreed in meeting:

| Date Raised | Ref. | Description                                                                                                                              | Lead | Date Due                             |
|-------------|------|------------------------------------------------------------------------------------------------------------------------------------------|------|--------------------------------------|
| 28/07/2025  | 1    | Group to determine best way to engage with ESEWG and strengthen this relationship                                                        | SCWG | For presentation at next ERG meeting |
| 28/07/2025  | 2    | SZC to review the risk register and provide feedback. PW report feedback at the next informal meeting, ahead of the next formal session. | SZC  | For presentation at next ERG meeting |
| 28/07/2025  | 3    | ASM to update the risk register from the Chamber side.                                                                                   | ASM  | For presentation at next ERG meeting |