

## Sizewell C Consortium – North of England

### Memorandum of Understanding

September 2020

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#### Preamble

1. There is widespread political consensus that regional investment is needed to rejuvenate and 'level up' places across the country that may have been left behind, particularly those in North of England.
2. Sizewell C is a project that delivers for the North. Of the 70,000 job opportunities created in the supply chain as a result of Sizewell C, and of the 1,500 apprenticeships, around 13,000 opportunities created and people employed will be in the North of England. This builds on the deep nuclear heritage the region has built up over decades. This will mean not only mean jobs for individuals but tangible improvements to the social fabric of northern communities where long-overdue social and economic improvements will be felt.
3. To reach the UK's legally binding target of net zero by 2050, we believe that nuclear must form an integral role in any future energy mix. This view is shared by independent bodies such as the Committee on Climate Change and the Energy Systems Catapult. By proving through Sizewell C that the UK EPR is a reliable, cost-effective and clean energy generator which can offer heat as well as electricity, it lays the foundations for a new generation of nuclear builds, including at Moorside and Wylfa. This will establish the North as a leader in decarbonisation and will build on the strong nuclear heritage already present.
4. The Sizewell C Consortium, a group of more than 100 leading companies and organisations from across the country, has been guided by its goal to deliver Sizewell C and ensure that the priorities of levelling up and net zero are met. The Consortium will continue to work constructively with government, regional bodies and third-party stakeholders to make sure benefits of Sizewell C are realised in the North (as benefits from Hinkley Point C are being realised in the North today), and the presence of the UK's existing nuclear supply chain is guaranteed and enhanced across the North.
5. This MoU:
  - 5.1 states the commitment of the Sizewell C supply chain to the North of England, by intending to invest around **£2.5bn over the lifetime of construction** and **support 13,000 job opportunities in the North of England**.
  - 5.2 outlines the joint plan to be undertaken by Sizewell C and signatories to ensure these aims are met when the greenlight is given to the project.
  - 5.3 Commits to an intention of **pipeline UK EPR nuclear development**, from Sizewell C to Moorside in Cumbria (provided that Government policy supports UK EPR).
  - 5.4 is a statement of working intent and is not intended to be legally binding. Nothing in this MoU is intended to affect in any way the legal obligations and/or rights of either party. It is intended to be binding in honour only.

We commit to the following in the North of England:

## 6. Supporting local suppliers and building a nuclear legacy

- 6.1 Sizewell C will commit to an investment of £2.5bn of contracts for northern-based suppliers, alongside a commitment to **procurement in the North**.
- 6.2 This will continue the significant investment already made in the North for the UK EPR supply chain, through the Hinkley Point C construction..
- 6.3 Of the job opportunities the Sizewell C project will create, 13,000 **will be in the North of England**.
- 6.4 Already northern suppliers form an important part of the Hinkley Point C supply chain and in total nearly two thirds (£4bn) of the nuclear sector in terms of GVA is located in the Northern Powerhouse. Sizewell C will continue to harness the considerable skillset of northern suppliers to build Sizewell C, in the process developing a pipeline of talent that can help the nuclear industry invest in future clean energy projects at Moorside, Wylfa and other sites in the North.
- 6.5 Enhancing the gigawatt nuclear industry will also help grow the prospective industries of tomorrow – nuclear-generated hydrogen, and Small and Advanced Modular Reactors (SMR/AMR) – in the North where the engrained industry knowledge will make it an attractive region for investment.
- 6.6 To maximise the impact of this pipeline of skills, we will explore the possibility of creating a Supply Chain Hub in the North – alongside other hubs in strategic locations around the nation – that will allow contractors to manufacture, preassemble and consolidate components critical to the Sizewell C construction process.
- 6.7 We are exploring the manufacture of fuel for the UK EPRs at Sizewell C and Moorside in the North (moving the opportunity into the North from France), and aim to move the whole fuel cycle (if Government policy supports).

## 7. Levelling up the North and enhancing communities

- 7.1 Delivering Sizewell C is a chance to help level up the North and benefit an area that has often been regarded as left behind. Direct jobs and growth from the project will help facilitate this. To capitalise on the opportunity for businesses in the North to grow, an **annual Business Summit** will be held for suppliers across the North. This will allow suppliers large and small to meet face-to-face with one another cementing existing relationships and forging new connections with suppliers across the region
- 7.2 To help unlock the potential of local northern regions Sizewell C will create and sponsor a Procurement Strategy Forum to ensure that procurement processes unlock significant social impact on the ground. Initiatives that the Procurement Strategy Forum would drive could be securing social impact commitments from all Sizewell C suppliers, encouraging partnerships with social enterprises and charities for social and business benefits and committing our supply chain to leaving a positive, sustainable legacy on the social and environmental fabric of the North.
- 7.3 The Sizewell C construction period will last around 10 years, and if Moorside follows, will create a **15-year minimum opportunity for suppliers from the North**, allowing for stability and growth.

## 8. Training up the next generation

- 8.1 It is estimated that the nuclear industry will need 30,000 new employees in the next decade. That means protecting our existing nuclear expertise, built on decades of experience. It

also means inspiring giving new generations the skills, education and personal development they need to build long-term careers within the nuclear sector.

**8.2** Sizewell C will **work alongside local colleges, research centers and educational institutions** to develop these skills and ensure that world class talent developed in the North is encouraged to enter its nuclear and construction industry. We have already drawn up plans to offer training at Lakes College as part of this commitment and we want to go even further. By retaining this expert human capital in the North, the nuclear industry and the suppliers that serve it can build regional economic resilience that will allow greater local economic output and visibility across the UK and internationally.

**8.3** Sizewell C will help Cumbria develop centres of excellence across the region, helping build the unique, expert skillset that will differentiate Cumbria from other areas of the nuclear market. We are committed to developing these programmes so that we can bring work to the people of Cumbria in future.

**8.4** As the nuclear new build opportunity across the UK and the North grows with the potential construction of Moorside we will open a 'shop front' facility in Cumbria designed specifically to give advice to SMEs and people on how to access work and contracts at nuclear power stations in the UK.

## **9. Accelerating the UK's journey to net zero**

**9.1** Providing the UK Government continues its support for SMR and AMR technology, Sizewell C and Moorside will act as a bridge to those technologies by preserving the UK's domestic nuclear capabilities and supplying clean electricity and heat. Sizewell C and Moorside also aim to make hydrogen and synthetic fuels, laying the groundwork for a thriving industry which will create thousands of jobs in the North, and are exploring direct air capture – these technologies have the potential to put the UK EPR nuclear and the communities involved at the forefront of clean industrial development. Sustainable long-term jobs would be created in the clean industry powered by the UK EPRs.

**9.2** During the construction of Sizewell C, we will be supporting a town near the station in its quest to end fuel poverty and grant it net zero status by 2030. Learning from this project can help us achieve similar ambitions in Cumbria and Northern towns and cities. Some interest has already been expressed from Whitehaven.

**9.3** Assuming UK Government support, we commit to the ambition of a pipeline of projects from Hinkley Point C, to Sizewell C, to Moorside that will support the development of a new Clean Energy Economy for Cumbria and the North which can allow those regions to make a significant net zero carbon contribution both regionally and nationally.

## **10. Conclusion**

- The signatories and the Sizewell C supply chain agree that, with these measures in place, the development of Sizewell C will serve the North, its businesses and its people by creating skilled jobs, securing a skilled workforce and supply chain for nuclear new build and other infrastructure development in the north.
- The signatories from the North and Sizewell C encourage the Government, parliament and strategic regional bodies to make swift decisions to develop Sizewell C.
- The North will derive substantial benefits, as listed above, by committing to Sizewell C.

**Signed**

*The Sizewell C Consortium Members*

**Counter signed:**

*John Stevenson, MP for Carlisle*

*Trudy Harrison, MP for Copeland*

*Simon Fell, MP for Barrow and Furness*

*Mark Jenkinson, MP for Barrow and Furness*