

New Anglia LEP Position Statement: Sizewell C Nuclear Power Station (The Sizewell C Project)

New Anglia LEP would like to highlight our support for the Sizewell C Project and the opportunity it offers to tackle the climate emergency and progress to 'Net Zero' while boosting the economy in Suffolk and throughout East Anglia with the development of a nationally necessary infrastructure project which will generate huge local employment, education and skills opportunities.

New Anglia LEP states its commitment to working collaboratively with partners across Norfolk and Suffolk and beyond to ensure that the region capitalises on the opportunity presented by the Sizewell C Project and that the economic value in local communities is maximised.

New Anglia LEP believes that Sizewell C presents a once in a generational opportunity to maximise and leverage real economic benefit and opportunity to local communities through the creation of sustainable, skilled employment and supply chain benefits to businesses across the region.

We must ensure that all partners commit to working together in a collaborative way. This includes SZC Co. Ltd, Sizewell C Consortium, Works Alliances, County and District Local Authorities, New Anglia LEP, Suffolk Chamber of Commerce, local colleges, business support organisations and Government Departments e.g. BEIS and DWP. We believe the outcome of this collaboration will be;

- the creation of a longer-term legacy of economic opportunity for our businesses, local communities and our young people in particular
- the levelling up of the economic opportunity for our more rural and coastal communities which face socio-economic challenges
- the positioning of the region at the forefront of the UK's green industrial revolution

Expected Economic and Employment Benefits

New Anglia LEP understands that The Sizewell C Project will support the creation of local jobs:

- 40,000 FTE job years of construction employment
- 900 permanent jobs (700 direct jobs and 200 contractors) during each year in operation
- 1,000 contract partner workforce during planned outages
- 1,500 apprenticeships to be created (project wide and nationally) through partnerships with suppliers and local colleges during the construction period

[source: DCO submission employment estimates]

From the recent EY report from the Sizewell C Consortium we understand that Sizewell C is expected to support up to 73,000 jobs in the East of England, including 35,000 in Suffolk alone.

We also understand that Sizewell C will spend around £14 billion with UK based companies – around 70% of total project spend – during its construction. This includes a total of £4.4 billion in the East of England, including £2 billion in Suffolk.

New Anglia LEP welcomes this positive economic impact. We believe that the investment in Sizewell C can make a material, positive contribution to local employment, skills, and businesses, and can create a catalyst for change.

Economic Case for Sizewell C

“New nuclear investment in Sizewell C can make a material, positive contribution to local employment, skills, and businesses, and can create a catalyst for change. From a national perspective, it is essential to secure the supply of local carbon energy to ensure Britain’s transition to a sustainable low carbon economy, and at a local and regional level there is a major opportunity to embed Sizewell C in the Energy Coast to facilitate this transition.” - Sizewell C Project Economic Statement (May 2020)

New Anglia LEP supports the intent to embed Sizewell C within the wider regional energy sector to fully realise the transition to net zero via a more integrated and collaborative approach. We welcome that EDF acknowledge their role in this. There has been significant activity led by the All-Energy Industry Council for Norfolk and Suffolk, the strategic energy sector partnership led by the LEP. This has senior business representation from across the sector - offshore wind, nuclear (including EDF), gas, hydrogen – as well as Government, local authorities, Catapults, universities and colleges. Not only is this group working to raise the profile of the unique energy opportunity in the region but to also encourage the development of new energy projects in a more coordinated way.

There are significant pockets of socio-economic deprivation across Norfolk and Suffolk as identified by the Office for National Statistics and research commissioned by Suffolk County Council. Coastal areas in Norfolk and Suffolk, and specific towns such as Ipswich, Lowestoft and Great Yarmouth are within the 10% and 20% most deprived areas in England across all metrics combined. Suffolk also has an aging population increasing at a faster rate than the national average and thus leading to reduced economic activity, particularly in some coastal communities.

As part of the Government’s levelling up agenda, it is important that these issues are realised in our coastal communities and larger coastal towns in Norfolk and Suffolk. These locations can also have an over reliance on tourism and hospitality jobs which tend to be lower paid and seasonal with less opportunities for building long term career opportunities for younger people. These areas have also been severely impacted by the Covid-19 pandemic and are now trying to recover.

The Sizewell C Project has the scope and will act as a catalyst to deliver on national, regional and local policy and strategic commitments for growth and productivity with significant scale of benefits expected to the labour market, regional productivity and the supply chain. The expected economic and employment outcomes will help rebalance and level up the rural and coastal economies in Suffolk and the wider East Anglia area.

It is acknowledged that there are expected negative impacts as a result of Sizewell C construction on areas such as transport infrastructure and also the tourism sector in East Suffolk and thus important that we take a balanced approach with measures put in place to mitigate against the negative effects, particularly during the construction phase.

New Anglia LEP works closely with the East of England Energy Group (EEEGR), a regional industrial trade association representing 300 members, and they would like to put on record their full support to EDF and SZC Co Ltd and plans to build Sizewell C. This major energy infrastructure project in Suffolk will also have a positive impact on the local economy and the region’s workforce and skills.

The energy supply chain in the East of England is estimated to include some 1,800 companies, from the Tier 1's down to SME's, many of whom are EEEGR members.

EEEGR, on behalf of its 300 industrial members, has a deep-rooted concern that if consent for this project is not granted, viewed both on its own but also in the context of delays to other large energy projects in the East, opportunities will be lost, skills will not be developed and local companies will suffer. EEEGR also believes that by not giving consent a very clear message will be sent to the global energy investment community that the East of England (and indeed the UK) is not open for business.

Key Areas of Interest

Local Economy: Employment and Future Workforce

The Sizewell C Project presents a once in a generational opportunity to not only provide secure and skilled employment during the construction and mechanical and electrical (MEH) phases of the build of Sizewell C but to also provide a legacy of a skilled workforce with transferable skills. These could be transferable to future local opportunities e.g. offshore wind farm assembly and maintenance, or national/global opportunities e.g. future nuclear new build projects in the UK or overseas.

Young people in the region also have a unique opportunity to access apprenticeship, skill enhancement and training opportunities that have not been offered on this scale in many years, if at all. These can cover a range of occupations including electrical and mechanical engineering, construction, carpentry, food and hospitality, health and safety etc. Again, this experience and knowledge and training qualifications will be transferable presenting lifetime career opportunities which might not otherwise have been available.

We also support and encourage addressing social mobility and working with our most vulnerable and disadvantaged through specific programmes to engage with local communities in the Suffolk area and actively support young people in accessing training and employment opportunities. These include pre-employment training and outreach initiatives with the LEP working in partnership with local authorities and the Department for Work and Pensions (DWP).

New Anglia LEP will also work alongside local higher and further educational institutions including colleges such as East Coast College, West Suffolk College and Suffolk New College, as well as local schools to ensure that working together we are recognising and creating world class talent here on our doorstep. A close collaboration with Young Sizewell C will also encourage and inspire young people into pathways and into future employment at Sizewell.

These employment, skills and training initiatives set out in the Draft Deed of Obligation are therefore welcomed. We also acknowledge and recognise that Sizewell C Co. is an active member of the Skills Advisory Panel for Norfolk and Suffolk and has been working with local education (and skills and training) providers over the past 5 years. We also recognise and support the proposal for SZC Co. Ltd to contribute to fund a Regional Skills Coordination Function in the County Council to help manage the Sizewell project in light of the wider regional demand from other major infrastructure projects.

However, we would like to see greater levels of intervention to support young people to not only present job opportunities that they would not have had, but also to help build confidence and enhance their social and professional connections. As a result, we believe that young people in the region can reach their full potential in life, enhancing their resilience and self-worth.

New Anglia LEP would also strongly encourage a focus on East Anglia and Suffolk for maximising the number of apprenticeships available for local young people and with respect to the expected 1,500 apprenticeship places, request local and regional targets to maximise opportunities for the local communities wherever possible.

In terms of diversity, New Anglia LEP also supports the national Nuclear Sector Deal which aims to actively promote gender balance in the nuclear sector with a target of achieving 40% women in the nuclear industry by 2030. We also support embracing the broader diversity and inclusivity challenges to ensure that the nuclear workforce more closely reflects the diversity of the UK population. We would expect SZC Co. Ltd to respond positively and we look forward to the creation of wider opportunities for all with Sizewell C.

Local Economy: Business Supply Chains and Inward Investment

We expect **supply chain** benefits in sectors as diverse as construction, engineering and manufacturing, agricultural, food and drink and digital technology as a direct result of Sizewell C. We also anticipate wider, indirect economic multiplier effects from the project generating potential new commercial opportunities for new start-ups and existing businesses in the local area which should not be underestimated. These impacts will, in part, be a result of expected increased spend in the local economy thus helping to sustain businesses in the local market town high streets and rural communities, for example.

Norfolk and Suffolk present a range of active business networks ready to support and benefit from future investments in a Sizewell C supply chain activity. New Anglia LEP is working with Suffolk Chamber of Commerce and local authority partners and business sector groups such as NAAME (engineering) and EEEGR (energy) to realise and unlock the potential.

Strengthening local and regional supply chain opportunities is also expected to have a positive economic impact on our shipping, transport and logistics sectors. Working collaboratively with ABP Ports of Ipswich and Lowestoft, Peel Ports of Great Yarmouth and Ports of Felixstowe and Harwich will ensure that we fully realise and leverage investments made in those ports as well as the wider transport infrastructure.

However, whilst we welcome the Supply Chain Strategy (in the DCO) in setting out the principles and we acknowledge the important work between SZC Co. Ltd. and Suffolk Chamber of Commerce around the supply chain portal and brokering support and matching suppliers, we feel that there are wider opportunities to enhance this activity. We would welcome additional measures to be considered around business support and sustainability to ensure that local businesses can scale up to not only provide services to support Sizewell C but to also maintain other existing or future commercial opportunities i.e. the Sizewell C project does not solely direct them away from other business activities as this could risk their business in the medium/longer term when the Sizewell C project has reached completion.

We also feel that businesses scaling up to support the Sizewell C Project, whether during the construction or MEH phases, can potentially gain from other construction or energy related projects in East Anglia (and nationally) e.g. construction of planned offshore wind farms and other major infrastructure projects. These 'cumulative opportunities' will ensure that we are *skilling up and scaling up* our local businesses across the supply chain to help enhance their economic sustainability and viability and help avoid any risk of a 'boom and bust' scenario as a result of Sizewell C.

New Anglia LEP would be keen to work with SZC Co. Ltd. and partners, via the Supply Chain Working Group, to help enhance this activity to maximise the positive regional impacts of the Supply Chain Strategy. Also, whilst we fully welcome the opportunity to boost the local economy and local employment, we don't feel that the current and planned draft Deed of Obligations (S106) agreements will fulfil this so we would encourage SZC Co. Ltd. to continue to engage with partners to enhance mutual collaboration to truly capitalise on the benefits to the local and regional economy and help deliver more to support our business community.

There are also **inward investment** opportunities. Continuing to build on decades of experience and expertise in nuclear in the East of England, presents opportunities for attracting future investment in those prospective industries of tomorrow. These include nuclear-generated hydrogen and Small and Advanced Modular Reactors (SMR/AMR). The expertise that Sizewell C will help develop will further the case for the East of England to remain an attractive region for inward investment.

There is a huge opportunity for the region to capitalise on existing work and investments in the wider energy sector as well – including new O&M bases in Great Yarmouth and Lowestoft, new inward investment campaigns and business support programmes. The focus should be on those 'cumulative opportunities' where we can maximise positive impact on the local economy and for the energy sector at a strategic level. Again, we would encourage SZC Co. Ltd. to engage with partners to enhance mutual collaboration to fully maximise the benefits to our local economy.

Local Economy: Tourism Sector

The **tourism sector** is one of the region's most significant sectors with a higher-than-average number of jobs related to the visitor economy. Although a vitally important sector to the local economy it tends to offer less stable, seasonal jobs which are lower paid. The tourism sector can also be economically vulnerable and negatively impacted by external forces. For example, the sector in Suffolk has been severely impacted by the Covid-19 pandemic and is now trying to recover.

The New Anglia LEP and partners such as Visit East of England have been leading on a range of plans and interventions in response to Covid-19 impacts on the tourism sector and this complements the work by the Destination Management Organisations (DMOs) and local authority partners for the coastal visitor economy to help enrich and enhance overall. We acknowledge that the tourism sector in the important coastal area of Suffolk potentially faces a double impact from Covid-19 and Sizewell C construction and recent surveys of businesses evidence this expected negative impact.

There is a need for mitigation as a result of an expected impact by Sizewell C construction specifically on the local tourism sector within East Suffolk. Local authorities and the local tourism Destination Management Organisation are working closely with SZC Co. Ltd. to help identify some solutions for mitigation. We recognise that the increase in traffic movements and impact on local communities is likely to have a negative impact on perceptions of the area as a tourism destination and resulting effects on local businesses in this sector. The negative impact on local tourism accommodation is also expected as a result of a migration of workers into the area, particularly in the peak stages of construction.

Where there are some potential benefits to businesses in the wider supply chain – accommodation, food and drink, hospitality, catering, retail and transport – we would encourage greater levels of support. It is important that these businesses are provided with the necessary business support and guidance in order to maximise their opportunities to scale up in sustainable way. It is imperative that focus and support is provided to ensure that the local economic

opportunities from Sizewell C are not at the expense of or instead of servicing existing customers, whether locals or visitors from outside the area.

Local Economy: The natural environment

The natural environment is one of the great assets of the region, which is an important factor in its attractiveness both as a tourist destination and business location. The Suffolk coast and particularly sites such as the RSPB Minsmere and National Trust Dunwich Heath are key visitor attractions.

The New Anglia LEP considers that it is essential the natural environment is protected and impacts from Sizewell C on the environment are minimised. It is recognised that there will be a residual impact on the natural environment, and the New Anglia LEP would encourage suitable measures to compensate for this residual impact, so that the impact of the attractiveness on the area can be offset by natural environment improvements.

Local Economy: Transport impacts

Good accessibility by road is an important economic factor, and the road transport impacts of the construction of Sizewell C will have some impact on this accessibility. The New Anglia LEP welcomes that, with the recent change application, SZC Co. Ltd. Is committing to an increased proportion of materials to be transported to site by rail and sea, and considers that it will be important that these commitments can be delivered. The New Anglia LEP consider it important that transport accessibility to the region is not unduly affected by the proposals, that suitable mitigation is provided to minimise such impact, and that a suitable sequencing of road improvements and the agreement caps to avoid congestion are agreed with the local councils.

Reference base

Sizewell C Project: Economic Statement (May 2020) [[APP-610](#)]

Sizewell C Project: Volume 2 Main Development Site – Chapter 9 Socio-economics (May 2020) [[APP-195](#)].

Sizewell C: Joint Local Impact Report

Sizewell C: Supply Chain Strategy

New Anglia LEP July 2021