



Stakeholder Engagement Incentive Submission 2020-2021

Preface

At Wales & West Utilities, we look after the pipes that keep the gas flowing to heat homes, power businesses and keep the lights on across Wales and south west England.

We respond to gas emergencies and keep communities safe, connect new homes and businesses, and upgrade the gas network so it stays safe today and is ready to transport green energy in the future.

This submission consists of two parts.

- **Part one** provides a detailed overview of our Stakeholder Engagement, Customer and Vulnerability Strategies, demonstrating how these have been embedded in our business over the RII-GD1 price control, enabling a rapid and flexible response to the needs of customers and stakeholders. It also indicates how we have met Ofgem's minimum requirements.
- **Part two** shows the outcomes and benefits we have delivered, during the most challenging time in our business' history. These are aligned to Ofgem's assessment criteria and allow us to meet the immediate needs of our customers, stakeholders and colleagues during the Covid-19 pandemic.

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1 Introduction

PART ONE

In this unprecedented year, the safety and wellbeing of customers and colleagues was our absolute priority. Engagement was central to everyday planning which moved at pace with daily insight and customer feedback reviews by our Executive team.

Focusing early on emergency service communications proved essential, and we paused to adapt our approach to gas pipe replacement. Customer insight was critical to shape considerate continued working practices, meeting customers' needs and personalising to minimise anxiety.

I know our embedded values and our engagement strategy and processes provided a sound framework enabling our flexibility during the pandemic. Our robust policies and procedures were recognised with retention of our ISO, BSI and Investors in People standards. We continue investing in our culture, focusing on inclusivity, leading the way with a 40% female Exec team.

We've maintained momentum and continued to innovate to support affordable transition to net zero through individual and collaborative projects. We've prioritised the entry of green gas into our network, supported next generation hybrid heating trials, and expanded use of our Pathfinder whole system simulator, including testing the timeline for the whole UK Gas Goes Green programme. It's been shared regionally and nationally, and a simplified model developed and incorporated into our Energy Systems Toolkit for local authorities – shaped by their input.

Customer and stakeholder prioritisation of environmental protection increased and, while leakage reduction continually improves, we innovated business-wide to reduce other impacts. Our new sustainable supply chain charter was published, in support. We've continued partner working to deliver outcomes making a difference to our communities – recognised by Business in the Community Cymru, who made us a 2020 Responsible Business Champion.



Our engagement has continued to grow, with virtual sessions welcomed by many stakeholders as an inclusivity enabler. For our new Citizens' Panel, this removed engagement restrictions previously encountered for some single parents, people with mobility problems and very rural dwellers. Hearing directly from customers and stakeholders continues to be the most impactful way for our people – from the Executive team to operational colleagues – to learn about our communities and their needs. It is clear to me that achieving future sustainability for communities, customers and stakeholders can only be realised by inclusive engagement, collaboration and partnership working. The importance of engagement has been proven during the pandemic – and I'm proud to present this submission which highlights just some of the great things we can achieve when we work with our stakeholders, and we are committed to keep working hard and getting better.

Graham Edwards, Chief Executive

2 Scrutiny and support from our Customer Engagement Group

Our Customer Engagement Group (CEG) continues its role challenging our stakeholder engagement planning and delivery. We found real value in this approach during GD2 business planning, so continued evolving its purpose with a new Chairperson and Terms of Reference. This is rooted in our commitment to making sure key decision making takes account of customer and stakeholder feedback so plans best reflect their needs. The role of the CEG includes:

- Challenging us to respond to strategic business opportunities and future risks in the energy sector
- Evaluating engagement robustness, to make sure it reflects best practice
- Encouraging us to deliver better customer and stakeholder outcomes by pushing our Business Plan commitments.

To benefit from our CEG's experience and technical expertise, we form thematic task and finish groups with members, co-opting external stakeholders where

required. Focal areas for these groups include sustainability, the route to net zero, innovation, customer and stakeholder engagement and vulnerability support.

From our Customer Engagement Group Chair

I have worked alongside Wales & West Utilities as part of its CEG since 2019 and been impressed with the level of senior support to our discussions, and to the development of a sense of shared endeavour, with customers at the heart of decision making.

The key role of the CEG is to scrutinise engagement plans and delivery, to help the company deliver the best it can for customers, and be as ambitious as it can be. We collaboratively developed a work plan for 2020/21, which includes attending engagement events so we are able to see things for ourselves, listening in the background to see if stakeholder experience of Wales & West Utilities matches our own. The quality of events to date has been impressive, with good progress made on the company's GD2 Business Plan commitments – including vulnerable customer research and support and the development of a Citizens' Panel.

Wales & West Utilities has faced a substantial learning curve and the three-strong engagement team has delivered a step change in the way the business listens and responds to customers and stakeholders in a short timescale. I've consistently been impressed with the openness and honesty of colleagues, and how challenge and scrutiny has been welcomed and encouraged. The CEG sees part of our role over the coming years to make sure colleagues' voices are heard alongside those of customers and stakeholders, with views being appropriately reflected in decision making. I was delighted to accept the role of CEG Chairperson in January 2021. There is, of course, more to do, and alongside my CEG colleagues I look forward to working with Wales & West Utilities in 2021/22, holding a mirror up to the Executive team and encouraging them to continue to integrate customer and stakeholder feedback in every decision they make.



Sian Callaghan

3 Our Stakeholder Engagement Strategy

EMBEDDED We have a comprehensive Stakeholder Engagement Strategy that is embedded in the business and published on our website. This strategy continues to be relevant and supported us in responding to Covid-19.

Our strategy objective

We're a sustainable business, putting people and communities at the heart of what we do. By engaging in tailored ways, we identify what our stakeholders want and need while maximising the value we add for our customers. The informed feedback we gather will deliver outcomes our stakeholders want and shape the way our business operates.

Keeping stakeholders up to date about matters that are

important to them is critical and we use a variety of methods (see Part one, page 5). We seek customer and stakeholder feedback through mechanisms including our Citizens' Panel, regional workshops, qualitative and quantitative research, doorstep conversations with Customer Support Officers, insight, engineers' conversations with customers, innovation call for ideas, ideas portals and others. These are illustrated throughout Parts one and two.

Our guiding principles of engagement

EMBEDDED Our objective is supported by three guiding principles based on the AA1000 Stakeholder Engagement Standard (2015). They reflect our business values and underpin our stakeholder engagement approach (see Part one, pages 5-7).

Transparency – consistently demonstrate that openness, honesty and accountability guide our decisions and are embedded in initiatives and outputs.

Inclusivity – encourage a wide range of diverse customers and stakeholders to co-determine priority issues and engagements and voice opinions on business initiatives.

Continuous improvement – aim to identify key stakeholder issues before they arise and proactively and effectively resolve them when they do, making the most of and acting on stakeholder opportunities, and communicating all outcomes to stakeholders.

"Throughout a turbulent period for our communities during Covid-19, our embedded stakeholder engagement strategy has allowed us to take targeted and effective action to meet emerging customer and stakeholder needs."



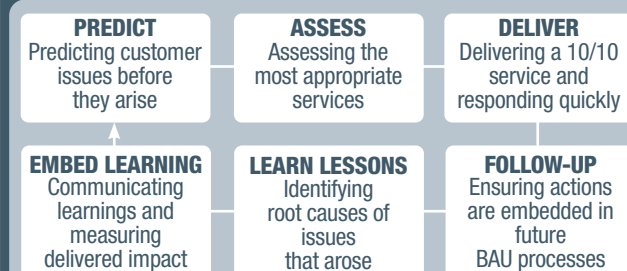
Sarah Hopkins
People & Engagement Director

4 Our Customer Service and Consumer Vulnerability Strategies

EMBEDDED Alongside our Stakeholder Engagement Strategy, our Customer Service and Consumer Vulnerability Strategies support our overall ambition. They're agreed by our Executive team, which reviews performance to make sure we maintain high-quality standards. Cross-business Steering Groups meet monthly and monitor progress to targets displayed on our Insight dashboards and our Customer Engagement Group provides external and independent scrutiny.

Our Customer Service Strategy shows how our ambition and customer commitments are delivered through day-to-day actions (see right). These are enabled by our people and the values we hold, together with our culture and delivery, supported by our systems and processes.

CUSTOMER SERVICE DAY-TO-DAY ACTIONS



Our Consumer Vulnerability Strategy is aligned to Ofgem's Consumer Vulnerability Strategy and its objective is to:

Safeguard all vulnerable customers by proactively identifying stakeholders' needs to deliver innovative and tailored support that goes above and beyond our obligations. Working with diverse partners, we will continually monitor and annually review the success of our safeguards to ensure they regularly evolve to deliver ongoing value.

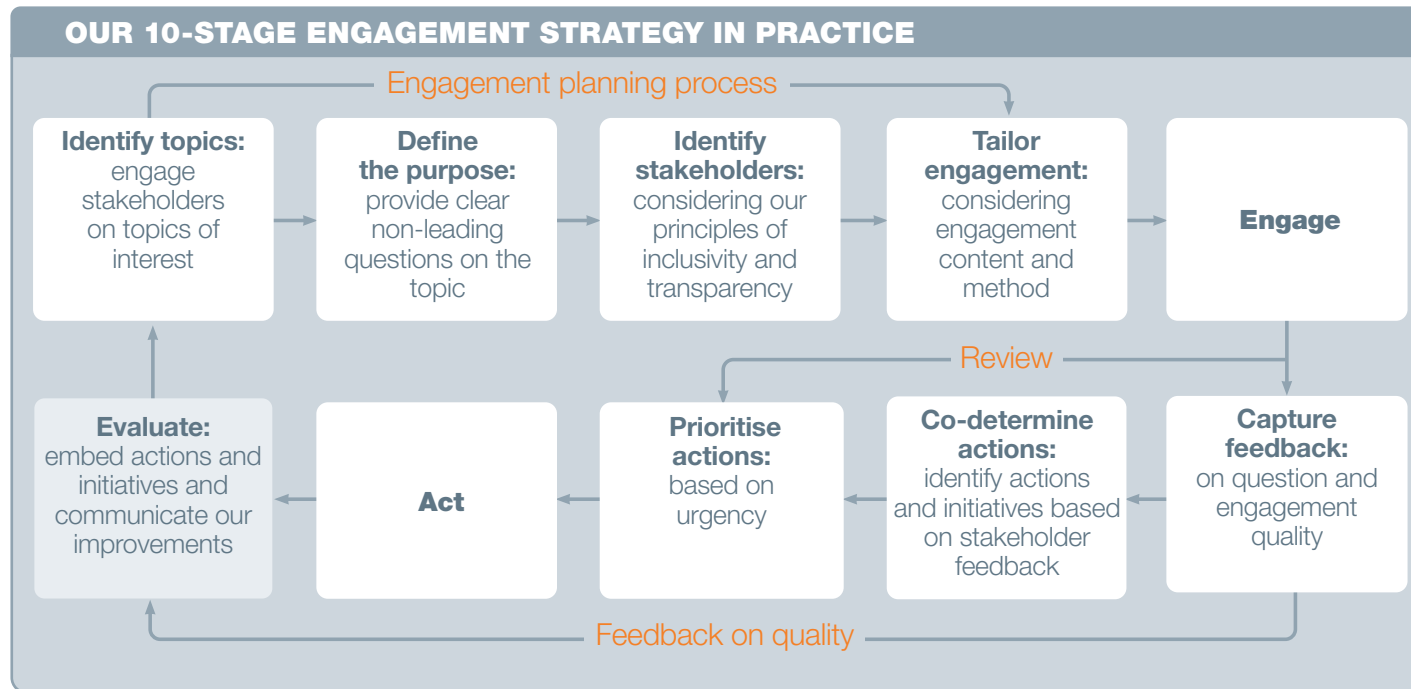
This objective is supported by six capabilities (see right):

OBJECTIVE

- Analyse and identify** Knowing who needs support, when and how
- Partner** Working with third parties to deliver services we are not best placed to offer
- Deliver** Providing a cost-effective suite of tailored services that addresses vulnerability
- Engage** Understanding what support our communities want and need
- Facilitate** Giving colleagues the skills to identify and manage support for vulnerable customers
- Evaluate** Ensuring the services have the intended impact and remain the most suitable approach

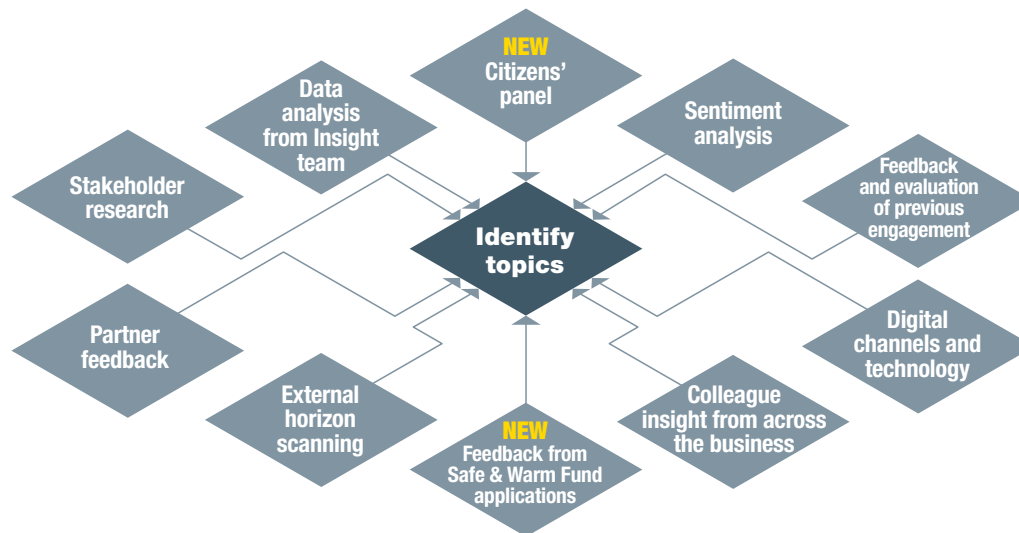
5 Our stakeholder engagement planning process

Our 10-stage approach (see below) is based on a virtual cycle of engagement, and sits alongside our Consumer Vulnerability and Customer Service Strategies.



How we identify topics

Our engagement planning guide supports our embedded engagement processes, starting with collecting data and insight from stakeholders on their current and future needs and aspirations, and feeding this into the identification of topics (see right).



Defining the purpose of engagement

This is critical to implementing appropriate success measures to evaluate engagements. Each engagement activity has an identified purpose, reflected in the question we are seeking to answer. **EMBEDDED** The colleague checklist developed in 2018/19 and included in the engagement planning guide supports question development and activity.

Stakeholder identification

We maintain an up-to-date stakeholder database, segmented by stakeholder group and according to topic interest/knowledge and geography. We proactively seek to identify new stakeholders who may be interested or impacted by our activities and seek sign-ups to our e-newsletter, event information and other forums.

We have identified almost 50 stakeholder groups and 70 sub-groups and we continue to engage with these groups. The segments are broken down further according to engagement topic. For example, customer groups are broken down by both geodemographics and attitudinal sub-groups.

Our approach to segmenting by topic allows us to engage with a broad range of stakeholders even within individual organisations. For example, in local authorities we work with a number of different teams, including infrastructure, housing, safeguarding, emergency planning and sustainability.

We want to make sure stakeholders feel comfortable to express their opinions and share ideas – also with others who may be in different demographic groups. To support this, our new Citizens' Panel is segmented by geographical region, with each regional group having a mix of profiles (see Part one, page 6).

NEW In 2020 we started to use Mapolitical, a tool to identify political stakeholders, for incidents. It enables us to draw an interactive map around an incident area identifying key stakeholders to Parish and Community Council level. We've used this for recent incidents on our network, including flooding in Skewen and loss of gas supplies to Bradford on Tone. Find out more in Part two, page 6.

We have also used Mapolitical to identify and update our knowledge of local government officers and elected members involved in sustainability and future energy planning in our region. It has helped bring together stakeholders with shared responsibilities across diverse local authority organisational structures, to deliver more inclusive engagement. This has helped us target engagement effectively and quickly.

Tailoring engagement

With pandemic restrictions, we adapted engagement methods, meeting our Critical Friends Panel and regional community representatives virtually. Our independent facilitators suggested shorter, interactive sessions including films and online voting with time for informal chat and networking to end sessions. Technical support was available with the new online format.

With no travelling required to take part, more stakeholders found time to attend and join in our conversations. We will be continuing virtual engagement post-Covid-19.

"In virtual regional workshops, I saw first-hand how effective this type of engagement can be – the break-out rooms were independently and expertly facilitated and there was additional engagement and written feedback through 'chat'. And without the need to travel, the events were better for the environment too."

Sarah Williams Regulation Director



We took a mixed approach to customer engagement to make sure no-one was digitally excluded. Quantitative research included online and telephone interviews with

the hardest to reach, while in-depth qualitative research included one-to-one telephone interviews, with support hard copy materials sent by post.

During operational work, our Customer Support Officers engaged with customers on their doorsteps, while social distancing and wearing appropriate PPE. We made sure partner organisations like Warm Wales also adapted engagement methods to safeguard our customers.

We tailor engagement using the ladder of engagement approach and are keen to move our engagement up the ladder, with much of our current engagement focused in the **involve** and **collaborate** categories. Our Safe and Warm Fund launch provided opportunity to move up the ladder, as we empowered organisations to tell us how funds could be best spent to deliver outcomes that would support communities. Through this, we understood that local voluntary groups were often best placed to know what's best for their communities and which activities are complementary to other support – this became a key focus of our application and evaluation materials.



CASE STUDY SAFE AND WARM FUND

Launched in June 2020, the Safe and Warm Fund is a £50,000 fund to help charities and other organisations working in communities. During the pandemic, it delivered direct targeted support to more than 3,800 people in need and more than 23,000 indirectly.

Tailoring the use of language

Operating in two countries, we must understand regional differences to deliver effective engagement and outcomes. Engagement materials are available in Welsh and English on request and key documents like our annual stakeholder report and our online schools' gas safety pack are routinely provided in English and Welsh. Our Citizens' Panel members are asked if they would like to engage in Welsh or English and north Wales region sessions have a bilingual facilitator.

We subscribe to Language Line to provide interpreting and translation services for other languages spoken across our region. We use the SignVideo app to allow a three-way call with a British Sign Language expert for deaf customers and stakeholders, helping us deliver an inclusive service and tailored engagement.

Capturing and acting on feedback

Colleague Day After Reports and action trackers feed into monthly project reporting on engagement progress and outcomes achieved, allowing greater oversight of stakeholder feedback and providing opportunities for discussion. Across our business, we manage performance by leveraging big data analysis from our Insight dashboards. This not only supports our day-to-day operations but also helps us capture customer and stakeholder feedback to inform future activity. Dashboards cover key areas including customer satisfaction, safety, and social obligations and safeguarding. Alongside engagement feedback reports from, for example, our Citizens' Panel, this gives us instant and up-to-date insight supporting delivery of targeted and effective initiatives that meet stakeholder needs.

Changing direction based on stakeholder feedback

Throughout Covid-19, it has been more important than ever that we respond appropriately, promptly and flexibly to feedback. We've needed to pause and change direction in response to the needs of our stakeholders. You can find out more about how we've met their evolving needs in Part two, page 2.

For communication purposes, we considered aligning our priorities to themes commonly used in the media such as the 'transition to net zero', 'powering the green recovery, building a sustainable future', but following feedback from research and stakeholder workshops, it became clear that these terms could be confusing without explanation, so now we further tailor communications to audiences, carefully explaining new concepts.

OFGEM PANEL FEEDBACK – SOME EXAMPLES OF WHAT WE DID

YOU SAID Demonstrated engagement must have purpose and be tailored to stakeholder groups and evidenced how resulting actions are tracked. Stakeholder mapping and engagement risk mapping showed positive improvements.

WE DID • Firm business embedding of our engagement strategy and approach, adding value in decision-making and positive customer outcomes since start of Covid-19
• Deliberative customer engagement approach now taken, ensuring inclusivity.

YOU SAID Examples were difficult for the panel to evaluate and fully understand the impact of the engagement.

WE DID • Part two now includes engagement activity measures at the end of sections.

YOU SAID Need clearer evidence of the ways stakeholder engagement significantly influenced business planning and decision-making.

WE DID • Summary table of key decisions/plans influenced included and illustrated throughout. Our values that underpin how our work supports this are in Part one, page 7.

YOU SAID Examples of innovative thinking and culture identified. Provide the panel with more information on further stakeholder engagement and/or benefits on: stakeholder-driven environmental action plan, HyHy model based feasibility study, adding of a fifth scenario (Hybrid Accelerator) to National Grid's.

WE DID • We responded to Covid-19 with new ways of working and engaging, delivering stakeholder required outcomes • To meet increased stakeholder priority and interest in net zero transitioning and environmental protection, we've continued to engage, develop and deliver innovative work (see Part two, pages 8 to 10)

YOU SAID Encouraged initiatives for challenging groups but need greater clarity on scale and benefits. Priority Services Register (PSR) and fuel poverty growing but considered small relative to customers affected.

WE DID • Measures included at end of each section in Part two • Recognising the need to adapt approach during Covid-19, we re-engaged and changed approach, with a key focus on PSR promotion to identify those most in need (see Part two, page 3) • Incremental growth in tackling fuel poverty (see HHHP Part two, page 4)

YOU SAID Good example of comprehensive engagement post-Grenfell for multi-occupancy buildings.

WE DID • We have further expanded this work (see Part two, page 7)

YOU SAID Stakeholder outcomes in Board post-investment appraisals are positive. Approach to measurement and evaluation reviewed, also good explanation of how deployment of a range of evaluation techniques according to project type. Limited information on project management and individual project outcomes.

WE DID • Examples of key business decisions shaped by stakeholder/customer feedback are highlighted • Continued deployment of project appropriate measures, now highlighting projects' output and outcomes • Our range of standards include project management system assessment (see Part one, page 10)

YOU SAID Small number of initiatives viewed as best practice and shared: flood-mapping tool, potentially the Pathfinder, and some elements of consumer vulnerability support. Some evidence of processes in place for sharing initiatives and learning with interested parties as well as in-house, but panel expected more evidence of this and a greater number of fully developed initiatives.

WE DID • We reflected on how we reported the sharing of best practice and wish to highlight the following: Our innovative Pathfinder whole systems simulation tool uses big data and is free to use, shared extensively including with other networks, government/ local authorities, private and voluntary sector. We also developed a simplified version to improve access and developed a guide to whole systems – informed by local authority engagement (see Part two, page 8). See our leading pilot using big data to map strategic infrastructure projects in south Wales (Part two, page 10)

Communicating, reviewing and evaluating

Once we have acted on feedback, we communicate what we are doing to our stakeholders via a range of mechanisms, including:

- Updates to our Critical Friends Panel and regional community representatives at events
- Partner engagement
- Our stakeholder newsletter
- Direct feedback through our Customer Support Officers and Priority Services team
- Social media (direct messages and responses)
- Email, letter, telephone and text messages, eg during major incidents (see Part two)
- Our website including website banners
- Media and political relations programme
- Webinars
- Industry forums and consultations
- One-to-one engagement with key stakeholders.

Evaluating the success of our engagements and learning lessons is taken seriously at Wales & West Utilities – this includes evaluating outcomes and the effectiveness of the process. For instance, in 2020/21 we evaluated the use of a Citizens' Panel trial (see Part one, page 6).

6 Our engagement strategy illustrated

The engagement examples illustrate how our engagement process is applied to stakeholders with different levels of knowledge and interest.

Regional community workshops

Our regional workshops help us understand stakeholder needs and wants to improve investment and delivery planning **EMBEDDED**.

Topics: Four workshops; two on the transition to net zero and two on consumer safeguarding.

Groups engaged: Regional representatives: business, statutory authorities, government, utilities, voluntary sector, vulnerability services providers, emergency services, supply chain, housing and others. Knowledge level: Medium to high.

Format: **NEW** Virtual sessions with break-out rooms, online voting and evaluation questionnaires. Regional groups: Wales and south west England, engaging 135 stakeholders. Session sections introduced by directors, who were active workshop participants.

Examples of feedback on topics

Consumer safeguarding: Discussions on our proposed spend to support vulnerability captured stakeholder feedback, with online voting prioritising fuel poverty/energy efficiency across all regions. Stakeholder suggestions included carbon monoxide (CO) awareness targeting for campaigns using social media such as Instagram and TikTok for young people.

Transition to net zero: Stakeholders told us terms like net zero and green recovery are not widely understood. Stakeholders in Wales told us to 'champion, facilitate and lead' on

net zero transition. In south west England, feedback focused on the lack of an energy industry co-ordinated approach to net zero, and a gap in green energy system expertise for key groups – developers, local authorities and communities, which we might support, alongside working with government for policy change. The top concern for changing to green heating systems in Wales was running costs and in the south west was upfront investment cost. Gas heating systems were the overall preference.

Examples of actions/outputs/outcomes

- Better service delivery targeting and investment by a partner tender event for vulnerability support – investment focusing on tackling fuel poverty.
- CO campaign for young people better targeting those most at risk (see Part two, page 7).
- More qualitative and quantitative customer research to test net zero terminology to inform tailored communications. We now use new visual imagery aids to describe net zero – used with our Citizens' Panel to improve understanding and engagement.
- Working closely with local authorities, government, the private and voluntary sector, playing a key role in supporting net zero transition, eg sharing our Pathfinder tool. We take an active role in the joint Gas Distribution Network (GDN)/Energy Networks Association (ENA) Gas Goes Green programme using Pathfinder to provide a co-ordinated/consistent approach (See Part two, page 8).
- We support new hybrid heating trials to provide options for lower running cost and emissions relative to other green alternatives (see Part two, pages 8-9).

Reporting: Discussed insight with Executive team and CEG, issued report to participants and interested parties and published on website.

Evaluating engagement quality

Net zero workshops:

95% said virtual sessions worked well/very well
100% found them very interesting/interesting
90% strongly agreed/agreed they had an opportunity to make points/ask questions
95% agreed/strongly agreed on discussion topics.

Safeguarding workshops:

100% said virtual sessions worked well/very well
96% found them very interesting/interesting
97% strongly agreed/agreed they had an opportunity to make points/ask questions
87% agreed/strongly agreed on discussion topics.

Our Citizens' Panel

To engage customers on complex topics, we've used deliberative methods by educated customer panels. We evolved this approach in a trial for a new enduring Citizens' Panel (currently 29 members). The trial objectives were to: build and gauge membership understanding of our role in the UK energy system and our stakeholder reviewed commitments, and to understand their perceptions of decarbonisation of heat and achieving net zero – and what they consider our role should be in this area. We also sought feedback on the panel process including: how to improve members' engagement experience, whether members met broad geodemographic requirements, how the dynamics of including 16-18-year-olds and Welsh language engagement preferences worked, and what GDN-related topics mattered to the panel.

Virtual engagement sessions with regional break-out rooms were supported by pre and post discussion tasks and surveys. Members accessed a digital platform with more information and a chat forum – tech support was available.

Topic feedback

For heat decarbonisation, awareness-raising and safety were important, but cost was the main priority. Disruption raised concerns, as well as consumer choice availability on switching heating systems. There was disagreement on our role – some said we need only prepare and keep the network safe; others considered we had a wider information and educating role. The concept of 'net zero' was new to most members. Panellists want future engagement focused on consumer vulnerability support – identifying safety, reliability and CO safety as key priorities.

Actions/outputs/outcomes

- HyCompact hybrid heating trial findings were considered with other feedback and quantitative

customer research to gauge appeal and concerns of hybrid heating (See Part two, pages 8-9).

- Working with suppliers and other networks on heat decarbonisation solutions to meet householders' needs (see Part two, page 8).
- Supporting key stakeholders, such as housing providers, with appropriate communications and development of an Energy Systems Toolkit (See Part two, page 8).
- Citizens' Panel continued into GD2, taking on board lessons learned from pilot on content, youth support and continuing Welsh facilitation.

Process evaluation

Overall participant engagement experience was very positive, with people keen to continue as panellists in a mix of online and live sessions, with reduced single session content. The recruited group was diverse and certain characteristics were boosted so no individual had to represent an age group or ethnic minority. We are considering support for younger participants and continuing Welsh facilitation.

OUR CRITICAL FRIENDS PANEL

EMBEDDED Since 2013, our Critical Friends Panel (CFP) has been valuable in challenging our focus and priorities. Panel members are interested in and have **expert knowledge** of our business. In 2020/21, the panel met virtually – feeding back positively on this engagement experience. Sessions were led by our Exec team and topics engaged on included key business themes; vulnerable customer spending profiles; Covid-19 impact on stakeholder priorities; barriers and benefits to supporting net zero transition, including variances across stakeholder groups, and the role of customers/policymakers. CFP insight was considered alongside other feedback on similar themes. CFP feedback shows broad parallels with regional community stakeholders on consumer safeguarding and investing in fuel poverty/energy efficiency measures, with safety and bill affordability also high priorities – in line with our customer research. The CFP highlighted a role to play in achieving a fair and balanced net zero transition. In response, we are involved in trials of more affordable heat decarbonisation solutions.

7 Stakeholder engagement embedded in culture, values and governance

A customer and stakeholder-focused culture leading to success

High levels of customer and stakeholder satisfaction start by developing a customer and stakeholder-focused culture. This strategic focus is driven from the very top with widespread engagement and endorsement of our company ambition, priorities and values.

Launched in 2013 to support business performance and develop a customer and stakeholder-focused culture, our priorities and values were identified by colleagues and verified by external stakeholders. This framework is now successfully embedded across our business, clearly setting out our core purpose and the values by which we live.

It underpins everything we do – from individual performance management to the way internal teams deliver work, continuously evolving to reflect what our customers and stakeholders tell us they want and need from us.

Our values

WE PUT CUSTOMERS FIRST We build trust by giving excellent customer service, listening and taking action on what our customers tell us.

WE TAKE PRIDE We take ownership and are accountable for our work, going above and beyond to get great results.

WE WORK AS A TEAM We build relationships with colleagues and partners, share best practice and encourage honest, open conversations.

WE BRING ENERGY We approach all our work with enthusiasm, always challenging ourselves to do better by embracing new ideas and innovation solutions.

"Having embedded values supports us all to do the right things by our customers and for each other. The supporting competencies use everyday examples so they are easy to identify with and live by."

Simon Dyer, First Call Operative, Plymouth

EMBEDDED To review customer and stakeholder benefits of key decisions and investments we have, for some

years now, included a section in investment papers for Board approval to show how customer and stakeholder insight has influenced proposals. In 2019, this was extended to post-investment appraisal reports, demonstrating the outcomes delivered for customers and stakeholders.

NEW Our recent stakeholder feedback indicates increasing prioritisation of sustainability and decarbonisation, particularly for young people. So in 2020, we added a sustainability section to board investment papers.

Culture of engagement

Our company ambition, priorities and values were borne out of the commitments made to our customers in our GD1 business planning and shaped further by key stakeholders. They are endorsed and driven by our Executive team in all colleague engagements and informing every step of our colleagues' journeys. From our values-based recruitment approach to our internal communications strategy and our training and development programmes, our values are lived every day.

CASE STUDY AWARD-WINNING TRAINER

Susan Entwistle, Customer Assistant, won 'Trainer of the Year' at the 2020 Welsh Contact Centre Awards for her programme of bespoke Customer Service training modules. The Values at Work programme is aligned to our company's core values and behavioural competencies and was wholeheartedly endorsed by Energy & Utility Skills who described it as "the first of its kind in the industry".

Our values framework supports our performance management programme, incentivising our colleagues to deliver demonstratable benefits to customers and stakeholders. Providing outstanding service to customers and stakeholders forms part of individual performance reviews and is reflected in our bonus reward scheme for those who excel in this area.

Governance

Our clearly defined model for overseeing our stakeholder engagement strategy is well established. Our Executive team oversees strategy, also reviewing initiatives and

progress against targets with monthly reporting at the Business Operating Committee. Highlights are also reported to the Board on a monthly basis.

The Business Operating Committee oversees all areas of performance and strategy with further focus being driven in Steering Groups chaired by Directors on customer service, social obligations, people, net zero and innovation. Relevant customer and stakeholder insight, feedback and research is presented at these forums by business owners with support from the Stakeholder Engagement team, for debate, decisions and action planning. This is effective in supporting our 10-step engagement process with appropriate influence from the senior team and colleagues who are delivering services on a daily basis. Our Customer Steering Group, for example, is chaired by the Chief Operating Officer and attended by a range of colleagues including our People & Engagement Director, Customer Experience Manager and Customer Experience Advisors. Each month this forum visits a different operational depot (virtually in lockdown) and meets local managers and staff to hear their daily experiences with customers and communities, as well as to listen to their ideas and local improvement plans, providing them with insight gathered from wider engagement. This two-way conversation influences local service delivery, turning ideas into best practice.

"Sessions with the Exec are a real opportunity to sit together and talk about our experiences on the patch. We discuss what's going well and think about solutions for our local customers in response to their feedback, and it's great when our ideas from West Wales get rolled out across Wales & West Utilities"

Sarah Burgess, Emergency First Line Manager

EXAMPLES OF BUSINESS DECISIONS AND PLANS INFLUENCED BY STAKEHOLDER FEEDBACK

- Remobilisation of pipe replacement work – see Part one, page 8 and Part two, page 2
- Review of our ambition, priorities and values – see Part two, page 5
- Our approach to wellbeing – see Part two, pages 5 and 3
- Customer service delivery during Covid-19 – see Part two, pages 2-3

8 Responding to stakeholder feedback to deliver better services

We know our stakeholder and customer priorities can change quickly. These changes can be temporary, transient, or permanent.

In our 2019/20 submission, we included our comprehensive research conducted over 18 months to understand the circumstances and needs of our most vulnerable customers. This highlighted a striking amount of emotional vulnerability manifesting as anxiety about the unknown and change from the normal routine. Specific anxiety related to our planned or emergency work is an important issue for us to address and our research showed that it can be even more significant for those living alone.

The challenge of the pandemic and associated restrictions has only exacerbated such vulnerabilities and anxieties. Therefore, this year we have worked hard to understand the impact of the pandemic on our stakeholders and how we can continue to meet and plan for their needs.

Using customer insights to drive key operational decisions

In March 2020, as the UK entered lockdown our planned essential work was paused while we continued with work to keep the gas flowing reliably and emergency work to keep customers and communities safe. Aware of the anxiety that many of our customers were likely to be experiencing during this time, our Executive team wanted to understand our customers' views on restarting planned work that would see our engineers entering homes. We worked with specialists Mindset Research to explore this in-depth.

Our research involved a sample of 104 customers with 30 involved in further in-depth interviews. Around one quarter (24%) of the sample were shielding and 39% would meet Ofgem's criteria for being classed as vulnerable. The research explained the nature of the work, the proposed safety measures and communications ahead and during the work. In summary, the results showed that:

- Support for restarting planned work was almost total and the desire to keep communities safe was key to this level of support.

- Almost all had a good understanding of the work that would be undertaken and that engineers would have to enter homes.
- Despite very strong overall support for the restart of work, customers required reassurance that our engineers would follow social distancing guidelines and wear face coverings.
- In general, the proposed measures met or exceeded customers' expectations – provided masks were worn.
- 97% believed that our proposed communications ahead of the work met or exceeded their expectations.
- 98% indicated that they were reassured that we could restart planned work safely.

"I think it is very thorough and door knocking allows people to ask any questions. Again demonstrates a customer -focused approach."

"I would assume that masks or face coverings would be worn if an engineer was to enter my house. There is no need if all the work is external. I would wear one myself if an engineer came in and I would definitely expect an engineer to do so too."

Customer research participants

Checking the robustness of our findings

To ensure the robustness of our findings, we complemented our in-depth research by asking questions on the Ipsos Mori Omnibus survey, which includes a UK representative quota sample (2,199 adults aged 16-75). We asked if anyone in the household was shielding and respondents' level of comfort with a trained engineer entering homes as part of our work while maintaining social distancing.

Generally, research participants were fairly or very comfortable with an engineer entering their home for planned work, but wanted us to take the necessary precautions.

- While the majority of those shielding were comfortable, they were significantly more likely than those not shielding to be uncomfortable with an engineer entering their home.
- Respondents told us that washing hands, wearing fresh disposable gloves, social distancing training and wearing a face covering would be very important precautions to consider.
- There were some significant regional differences, with those in Wales and south west England more comfortable with an engineer entering their home than those in other parts of the UK.

See Part two for details of how we acted on this feedback.

"Taking the decision to restart our planned mains replacement work in June 2020 as restrictions were easing was one of the most challenging of my career. Having actionable customer feedback – on communications, social distancing and facemasks – allowed our engineers to do everything they could to mitigate the anxieties of our customers and work safely."

Rob Long Chief Operating Officer



9 Checking in with our customers

Through extensive research in 2019/20, we asked customers about their current priorities and what they would like to prioritise for the future. We wanted to speak to our customers again in 2020/21 to understand their concerns and how the pandemic has impacted their physical, mental and economic wellbeing, and check if priorities had changed. Working with specialist research company Impact Research, this research had four phases including 'Max Diff'¹:

¹ Max Diff is an innovative approach to prioritisation which can determine not only the rank order of items, but also the relative 'distance' between items

Phase 1 – An online quantitative survey using 2019 priorities completed by a sample of 200 respondents.

Phase 2 – Four online focus groups exploring the phase 1 findings and changing priorities in light of the impact of Covid-19. Ten one-to-one telephone interviews were also conducted to make sure we heard the voices of people who are digitally disengaged.

Phase 3 – A larger online survey (sample of 804) to explore how Covid-19 had impacted customer attitudes and priorities, taking into account any regional or demographic differences. We also included profiling questions to understand customer motivations. 804 customers representing:



Phase 4 – Six focus groups with colleagues from across the business to understand their perspectives and interpretation of priorities, values and internal communications (see Part two, page 5).

Overall findings

Understanding how our customers' circumstances, attitudes and concerns changed since pre-Covid-19

Overall research findings indicate all groups including people living in vulnerable situations are more concerned about the local economy and community, climate change, their mental health/wellbeing, household finances and keeping up with bills along with job security.

Women in particular show more concern in several areas, including the local economy and community. Young people are significantly more concerned about mental health and wellbeing, household finances, bills and job security.

Qualitative research highlighted general lifestyle changes including more customers working from home, difficult work-life balance, parents caring for and teaching children while working and increased isolation. There were also reports of increased gas usage, more online communication and concerns about employment.

Interviews with digitally disengaged people highlighted a heightened awareness of phone and email scams, and in some cases anxiety has turned people off the internet. (See Part two, page 2 for details of our Customer Support Officers' engagement).

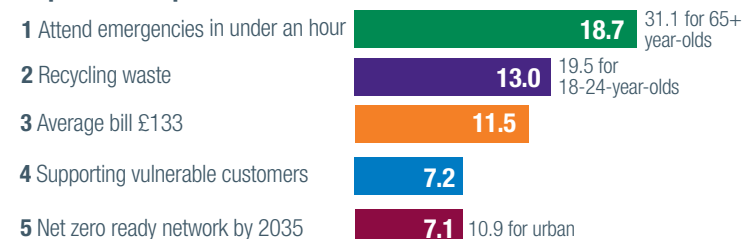
Customers' perspective on our areas of focus

Results from the 'Max Diff' to understand the relative importance of our priorities showed the overall top priority is safety; especially promptly attending emergencies. This is particularly important for people aged 65+, remaining unchanged since 2019 (see graph, right).

Environmental sustainability is also important with recycling waste rising from third to second place, especially important for 18-24-year-olds. Delivering a net zero ready network by 2035 features in the top five and is more important for urban customers – showing the biggest rise from 17th in 2019 to fifth in 2020/21. The qualitative interviews with the digitally disengaged show they struggle with 'net zero' as a term, and once understood, were surprised this was more important in 2020. Value for money was third and supporting the most vulnerable people rose from sixth to fourth.

Acting on feedback, we prioritise our emergency service, while maintaining momentum on work to support a net-zero transition, protect our environment and make sure we work in best value ways through effective targeting of services, particularly to people living in vulnerable situations. See Part two for how we are taking this feedback forward. We disseminated research findings to our CEG, Executive team and other colleagues to support decisions meeting customer needs.

Importance of priorities from 'Max Diff'



Getting communications right

For effective communication, our research explored linking our business priorities to high-level themes such as transitioning to net zero, powering the green recovery and a sustainable future. It became clear that without explanation, these were interpreted in different ways, misunderstood or simply did not resonate with stakeholders, eg customers had very little understanding of 'net zero', although colleagues had a better understanding of the term. There was further uncertainty around 'powering the green recovery', and 'being a sustainable business' meant different things to different people. Other terms such as keeping our customers, communities and colleagues safe were better understood.

10 Our awards and accreditations

Award/Accreditation Body/Standard	Description
Royal Society for the Prevention of Accidents (RoSPA)	Winner of Oil and Gas Sector Award 2020 (2nd consecutive year) Winner of Gold Award 2020 (7th consecutive year) (Awaiting 2021 results)
Achilles Accreditation	100% (7th consecutive year)
Institute of Customer Service	ServiceMark accreditation to 2023
BS 18477 Accreditation	Inclusive Service Provision retained (5th consecutive year)
Welsh Contact Centre Forum	Joint Winner Award – Trainer of the Year for development of our Values at Work Programme
IGEM Gas Industry Awards 2021	Winner: Safety Award – Demanding Safety Always Shortlisted: <ul style="list-style-type: none"> Customer Service Award – Emergency Service Team Project of the Year – Green City Vision
ISO 45001	International standard for occupational health and management systems and guidance
ISO 14001	Environmental Management System – recertified to 2023
ISO 55001	International Certificate of Asset Management
Investors in People	Silver accreditation until May 2021
Network Awards	Winner: Partnership Initiative of the Year Shortlisted: <ul style="list-style-type: none"> Cross Vector Project of the Year: Green City Vision Engineering Project of the Year: Live Mains Insertion Innovation Project of the Year: Gas Composite Repairs Innovation Project of the Year: Gas Bristol Live Mains Insertion
Business in the Community	Responsible Business Champion Cymru 2020

Independent evaluation

We are proud to have yet again retained BS 18477 for inclusive service provision status following an independent audit during the pandemic.

The auditor noted:

- A commitment to identifying and responding to consumer vulnerability was apparent at all levels in our business.
- That we have adopted a responsive and proactive approach not to disadvantage vulnerable consumers and apply our policies and practices fairly.

See also Part two, page 2.

Keeping up standards

Our ISO 14001 assessment was an in-depth recertification audit of our Environmental Management Systems. This process takes place every three years and we achieved a successful outcome with zero non-conformations. The auditors commented that “as on previous visits, a consistently high level of conformance was demonstrated.”

In 2020, a surveillance audit was undertaken for ISO 45001 which covers occupational health management systems and guidance. In addition to the auditor’s positive comments about our strong Health and Safety management system being effectively implemented, the auditors evidenced a high level of compliance with Covid-19 measures, saying that provisions to keep customers and colleagues safe should be “complimented.”

Investors in People (IiP)

A planned programme of visits across the entire network, including focus group and individual face-to-face discussions, was planned as part of our IiP review. However, with Covid-19 restrictions, we adapted to remote one-to-one conversations via MS Teams and telephone.

One of IiP’s recommendations was to consider maintaining the current enhanced communications from senior leaders even when lockdown is eased. You can find out more about how we integrate this feedback on our work on Part two, page 5.

Contents PART TWO

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1 Introduction

PART TWO

Our ambition is to deliver outstanding levels of gas safety, reliability and service so we are trusted and valued by those we serve. Much of our network is underground and out of sight, but our services play a central role in the lives of our customers.



So, we work hard every day to create a culture which contributes positively to lives and wellbeing across our communities. Colleagues work with stakeholders to develop sustainable, innovative and affordable solutions so decisions are focused on offering the best services for customers.

Never before has safety and wellbeing been more important for our customers and stakeholders as during a global pandemic. We completely refocused our engagement and work activities as expectations and attitudes evolved quickly. I am so proud of how our people responded in such exceptional circumstances and continued to deliver customer satisfaction scores of 9.17 overall, and retained our BSI Inclusive Service accreditation. With almost 25% of our customers living in fuel poverty or vulnerability, this tests and benchmarks our approach and services against a trusted standard.

During the pandemic we have involved our stakeholders in how and when we have delivered our work. Customer research and feedback has driven the evolution of our working practices, work plans and our communication campaigns. We have changed our delivery plans and strategies for the future to respond to changing attitudes and priorities such as the increased significance of protecting the environments where people live and work, given we now spend so much time in or near our homes.

Listening and responding has been equally critical as we focus on the transition to net zero and make sure that stakeholders are heard, with no-one left behind. Our engagement demonstrates that customers find our industry complex, so it's our job to be inclusive in our decisions and planning – ranging from our unique leadership role using our Pathfinder model or making feedback central to our investments.

In doing so, our colleagues are shaping our services to meet the needs of our customers and stakeholders now and into the future. Establishing the value and impact of what we achieve via measurement and regular feedback gives assurance that we are doing the right things through inclusive services proudly delivered by myself and my colleagues, for our customers and communities.

Sarah Hopkins People & Engagement Director

2 Our Stakeholder Engagement Strategy

Our Stakeholder Engagement Strategy and associated Customer Service and Vulnerable Customer Strategies underpin our work to make sure that the delivery of our services directly meet the needs and wants of our stakeholders in a sustainable way (see Part one, pages 2-5).

Central to our engagement strategy are our three principles of transparency, inclusivity and continuous improvement. Our stakeholder-led and iterative planning process makes sure that we can quickly adapt to the changing circumstances of our stakeholders, such as those experienced over the last year. This allows us to deliver the outcomes that are most valuable to our stakeholders. Using our 10-point strategy, we identify topics based on stakeholder feedback and insight, define the purpose of our engagement, identify stakeholders that may be impacted or have an understanding of their needs and tailor our engagement. We then review the engagement, capturing feedback, and identify where we can co-design actions and prioritise our efforts before acting. Having acted, we communicate our actions and evaluate these to understand their impact through a variety of measures, while capturing and learning lessons.

PRIORITY ACTIVITY DRIVEN BY INSIGHT



3 Inclusive services our customers want and need

Customer-shaped mains replacement restart

In Part one, we highlighted customer insight driving key operational decisions, such as restarting essential gas mains replacement. With lockdown in March 2020, our Executive team paused work after hearing customers' concerns about engineers entering their homes. In June 2020, we completed in-depth qualitative and quantitative customer research, ensuring inclusivity with using deliberative methods to support safe restart planning by senior management. For more details, see Part one, page 8.

Acting on feedback

We tested research respondents' understanding of our work and its importance – and their support for restarting was high. We planned for engineers to increase handwashing and social distancing, but at the time there was a lack of clarity on the effectiveness of face masks. Based on customer feedback, we decided all engineers would wear face coverings, including this in our Executive team endorsed Coronavirus Safety Engineering Instruction (SEI) and Customer Contact Guide. These apply to planned work, emergency response and new connections to all properties. Research revealed how important communications were to reassure customers – so these were enhanced. Based on feedback, our Executive team decided Customer Support Officers (CSOs) should visit every property where we would work, checking people's health and making sure they were comfortable with our plans. CSO Ellie Phillips said, *"So far I haven't come across anybody who is not happy for our work to restart."*

Research insight and CSO customer feedback were relayed to engineers via our SEI and Customer Contact Guide, giving our Executive team confidence mains replacement work could continue during the Covid-19 second wave, keeping customers safe and reassured.

Safeguarding people in the most vulnerable situations

A majority of shielding customers told us they would be comfortable with us restarting work, but our quantitative research showed these customers were more likely to feel less comfortable than others. Knowing this and their greater risk from contracting Covid-19, our Executive team decided not to restart planned work in the homes of these customers, but regularly review the situation. Government advice indicated people could stop shielding in April 2021. With the vast majority of these customers vaccinated and additional feedback from our CSOs, our Executive team has decided to restart work in clinically extremely vulnerable customers' homes. Our safety protocols make sure colleagues use enhanced PPE, including respirators, to further reassure and safeguard these most vulnerable people.

EXAMPLES OF OUTPUTS/OUTCOMES

- Our Customer Satisfaction Score for Planned Work in 2020/21 was 9.03 – our highest since the start of GD1 – recognising the enhanced focus we placed on making sure customers were comfortable with our service delivery. Overall customer satisfaction was 9.17
- Our Customer Support Officers had 14,655 customer doorstep conversations before we started work at their homes.

Embedding inclusivity into our process and plans benefits customers and society

EMBEDDED Our business-wide commitment to the BS Inclusive Service Provision Standard is included in our comprehensive Inclusive Service Provision Manual. Updated in 2020, it identifies key business owners and their contribution to inclusive service provision. New processes and audit plans for capturing reviews, assessments and actions were highlighted when in 2020, we again met the BS 18477 standard. (see Part one, page 10).

We quickly adapted to make sure we remained inclusive during the pandemic. Following customer feedback that mask-wearing prevented deaf customers from lip-reading, we promptly equipped our CSOs with transparent protective face guards to safely continue customer doorstep conversations.

We maintained colleague awareness of how best to support customers during the pandemic, inviting a number of stakeholders to support virtual colleague engagement sessions with relevant insights and tips. This included mental health awareness from Mind and Marie Curie who ran a session on bereavement, also hosting representatives from Language Line and SignVideo. Meanwhile, our Dementia Champions continued to run Dementia Friends training using adapted materials for virtual engagement.

EMBEDDED The National Autistic Society continued expanding our autism understanding, providing training to improve service delivery, during our colleague Priority Services week.

NEW Extending inclusivity to wider society, recognising the importance of sustainability to our stakeholders, we published our Supply Chain Charter, endorsed by our Executive team. We expect suppliers to adopt the Charter principles, which includes diversity and inclusion and the living wage, and we extend this to their contracted and subcontracted employees.

EXAMPLES OF OUTPUTS/OUTCOMES

- BSI Inclusive Service Provision retained (five years running meeting the standard)
- Endorsement of robust project management, processes and appropriate resources
- Colleagues and customers supported with swift adaptations to pandemic needs of challenging groups of customers
- Wider societal benefit through sustainable supplier practices – Supply Chain Charter.

Vulnerability engagement recognised as smart practice

Research work with Mindset Research, engaging individuals in vulnerable situations in a deliberative and sensitive way, was hailed as innovative. We supported development of a guide to summarise this approach which was informed by engagements over two years, including one-to-one, in-depth sessions and mini focus groups with care professionals and those experiencing vulnerability. We shared our approach, along with the research guide, at a webinar with representatives from local and national government, utilities, metering, housing providers and the voluntary sector. Webinar attendee evaluation responses show that they would likely share the guide information and were likely to implement its recommendations.

"We believe that our joint approach to this project has been innovative and has meant that we have engaged in a meaningful way with a wide cross-section of individuals in vulnerable situations, as well as those who care for them."

"Too often, the vulnerable are treated as a subset of all customers, and research methods are 'made to fit'. We hope that this guide will help organisations... tailor their services for the communities they serve."

Martin Oliver, Managing Director, Mindset Research

Key priorities and actions identified through this engagement continued to be a major focus including building Priority Services Register (PSR) awareness. The global pandemic stalled some PSR promotion activities with limited face-to-face contact, and stakeholder suggestions to share communications in doctors' surgeries were no longer practical. So, we built our social media work to extend reach to trusted friends, families and carers, with PSR referrals increasing by almost 5,900 over the year.

NEW As we do not hold our own customer data, we led an industry initiative with Xoserve to access gas supplier customer contact data allowing us to contact customers with physical and mental health circumstances which can prevent people in need from easily answering the door. The data portal is now live (see Part two, page 6). We

also played a leading role in an energy networks and water companies' project to align utilities' PSR needs codes. Ofgem and Ofwat have now written to water and energy companies expressing a commitment to amend licences to remove existing 'blockers' to data sharing. For us, this will remove the barriers to sharing information with South West Water and Bristol Water to further enable single-point PSR sign-up in our operational area.

Other priorities identified from vulnerable customer feedback and colleague workshops included:

- Continue awareness-raising of scams and bogus callers – our campaign reached almost 30,000 through social media alone.
- The prospect of being without gas can cause multiple anxieties for some people. While we provide alternative cooking and heating appliances, customers can worry about their running costs. Therefore, we now include appliance stickers informing about these costs. Our colleagues can also provide information about costs of oil-filled radiators and fan heaters.
- Being without hot water for bathing is a concern for people with certain medical conditions. Since alternative arrangements to use local hotels/ community centres were not always viable during Covid-19, we purchased hot water boilers and insulated carriers for this purpose. We have also reviewed our pre, during and post communications to reassure customers who may be experiencing anxiety.
- Our company-wide emotional intelligence training meant colleagues were better prepared to engage with people most in need during the pandemic.

EXAMPLES OF OUTPUTS/OUTCOMES

- Guide to engaging with hard-to-reach groups published and shared at webinar and wider media
- Almost 5,900 PSR sign-up referrals
- Better communications through new access to suppliers' customer telephone/email addresses
- Our scams/bogus caller social media campaign awareness reach was 29,946.

Supporting wellbeing in the community

Supporting wellbeing in the community has never felt more important. In January 2020 we established a virtual working group of seven large businesses and seven high schools, local to our Head Office. The focus is sharing best practice and initiatives on wellbeing to support teachers and staff. Experiencing this first-hand, one head teacher reached out to the chair, Sarah Hopkins, our People & Engagement Director, for support. Sarah volunteered her expertise to develop a tailored school wellbeing strategy during 2020.

The strategy focuses on supporting wellbeing and mental health, engagement and recognition plans for staff, with added benefits for pupils through better equipped teachers. With increasing concerns that Covid-19 has widened further the inequalities in education and employment across society, we see a growing requirement for businesses to take positive action to narrow the gap. This partnership will develop further during 2021 and we look forward to maximising this across our region.

NEW All systems go to deliver a smart and seamless customer experience

Our 'Link' business transformation IT project is designed to deliver improved outcomes for stakeholders and our business by working smarter, faster and better, significantly reducing the number of steps taken to respond to enquiries and complaints. We've been working hard to deliver a seamless transition for customers and colleagues. As the name suggests, Link is bringing all parts of our business closer together, so we can provide an even better service. Our first priority is delivery of the direct customer-facing benefits through a new Customer Experience system (CEX).

An 'Agile' project management approach was used for the CEX design based on 'user stories' with more than 100 identified at the requirement definition stage. In parallel, a customer focus group monitors and informs requirements.

Phase one of CEx incorporates increased automation and the integration of data accessed through a single sign-in to the system by our customer services assistants and more accurate information at their fingertips along with improved complaint root cause analysis.

The system is supported by tried and tested colleague training. As we identified that a 'one size fits all' method of training wouldn't work, we used a mixed approach including a suite of 'how to' videos and step-by-step guides – accessible whenever needed.

"Now people can top up their knowledge at their own pace as and when required, which has already proven popular among those who have used the materials."

Daniel Gray, Customer Capability Lead

Phase one of the CEx system has now been successfully rolled out, embedded and embraced by colleagues. This will be further enhanced with a Chatbot introduced to support self service and Phase two introduced later this year. Members of our Citizens' Panel are getting involved in Phase two testing of our associated new gas connections online portal, to shape its design.

EXAMPLES OF OUTPUTS/OUTCOMES

- *"The Customer Experience system automates a lot of the process, making things much quicker and smoother... we'll be able to access all customer information on one system when all phases are implemented. That means customers spend less time on hold, receive fewer call backs, reduce time spent on the call and, hopefully, less time waiting in a queue."*

James Sharrem, Senior Customer Advisor

- **Training:** 870+ individual pieces of training material, 19 complementary 'how to' videos, 19 step-by-step user guides, three live Q and A webinars, 17 virtual instructor-led training sessions, more than 100 colleagues and 10 subject matter experts trained. 80% said it was very easy or easy to access and use training materials.
- **Future benefits of Phase two** will include instant identification of priority customers throughout their journey, automatic updates on work orders, and more efficient reporting of customer satisfaction.

Bringing wider benefits to people experiencing fuel poverty

EMBEDDED Despite Covid-19 restrictions, our Healthy Homes Healthy People (HHHP) programme continued bringing wider benefits to customers in fuel poverty. With households experiencing reduced income and more time spent at home, more people have slipped into fuel poverty and are struggling to pay energy bills. With partners including Warm Wales/Warm West, we continued using big data to identify fuel poor homes through mapping.

Referrals through local and health authorities, and working with voluntary councils increasingly proved important – so our partnerships focused on developing these relationships. While engagement and advice-delivery largely switched from face-to-face to telephone, bringing some limitations, large savings have still been secured for beneficiaries. Average savings per household of £1,242 were almost double our 2019/20 achievements and will bring in wider benefits.

NEW We worked with Cornwall County Council, SSE, Teignbridge Council and site owners to connect residential park homes, identified as generally having poor energy efficiency and needing efficient heating and insulation.

This involved extensive engagement with both residents and site owner, providing assurances and making sure delivery was right for customers. Now, 46 park homes are network connected in St Columb, with plans to connect more in Teignbridge. In addition to cost savings, residents said it was good to be able to have supplier choice.

"...46 homes at Sun Valley Park, St Columb Major will benefit from central heating this year by moving from LPG to mains gas for their central heating. This will mean a substantial saving on their fuel bills, meaning they are able to stay safe, warmer and healthier in their homes all year round and be ready for future winters"

Jeanette Duncan, Sun Valley Park

NEW We helped local organisations supporting individuals in fuel poverty with complex issues, through our Safe and Warm Fund, encouraging Fund applicants to tell us how they could make the biggest difference. We supported Torbay's Advice Network to deliver Covid-19 emergency welfare support, enabling full client triage without people having to go to multiple organisations for help. Fifty-five individuals were directly helped with advice to maximise income, and support was bespoke for each client. This included virtual support and, for people in vulnerable situations without broadband, the project used mobile phones and post to replace mobiles and mailed out and received post in for paperwork, signatures and support evidence. With our support, the project worked well overall and still allowed the time needed to properly support individuals.

EXAMPLES OF OUTPUTS/OUTCOMES

- More households lifted out of fuel poverty
- HHHP Assistance 2020/21

Area	Savings	Total no. homes assisted	Average savings per home	GP/health referrals
South Wales	£303,260.46	211	£1,437.25	20
North Wales	£487,549.44	377	£1,293.23	123
Cornwall	£101,210.81	130	£778.54	3
	£892,020.71	718	£1,242.37	146

- HHHP – Social return on investment. 2020 base: For every £1 spent, £11.25 of wider net benefits
- 46 hard-to-reach park homes connected to mains gas with anticipated halving of their energy bills
- **Torbay Advice Network:** Investment: £1,920 for a welfare advisor and trainer. 55 individuals directly helped in various ways including reviewing welfare support, eg Client A – Helped to receive an enhanced award of £89.15 per week and £1,425 backdated payment. Client B – Support provided to correct an error meant he is now £43.55 per week better off. Client C – Following support, was able to claim an ongoing award of £59.70 and a back payment of £1,075.

4 Prioritising the safety and wellbeing of our customers, colleagues and communities

A culture of colleague engagement to support community wellbeing

Our culture is rooted in service and safety, with a strong focus on colleague engagement. We believe that to do things right for our stakeholders, we must get things right for our people, inspiring colleagues to achieve the best outcomes for our customers through our company ambition, priorities and values.

Last year, our embedded internal engagement processes supported our efforts to work cohesively and respond collectively to our challenges. Open, honest and regular communication, led by our Executive team from the outset, was the highest priority so we could focus on what we needed to do differently for each other, our customers and our communities.

From early March, initially daily director and other key manager meetings analysed emerging government guidance to communicate and clarify what it meant for us. We supported colleagues to deliver for our customers by producing simple guides and toolkits. We were committed to helping everyone quickly adapt and implementing policies and actions to keep everyone safe while maintaining our high service standards.

Colleague communications had clear, consistent messaging so they could better engage with customers and stakeholders from the beginning. This was improved as we conducted direct customer research influencing our decisions about our work and remobilisation within communities (See Part one, page 8). Managers received engagement tools, tips and a series of guides to support effective remote communications with their teams.

Visible leadership was maintained via a series of online events such as 'ask me anything' live Q&As and face-to-face roadshows, when rules permitted, providing opportunities for two-way colleague communication and engagement. Acknowledging and recognising colleagues achieving great customer and stakeholder outcomes, we held a virtual colleague Celebrating Excellence Awards event which recognised colleagues for their unwavering commitment to meeting the needs of their customers and colleagues.

Regular virtual events, colleague surveys and listening workshops helped build a picture of the topics and issues colleagues wanted to know more about, shaping content for our communications and informing the agenda for our events.

Reflecting on the impact of Covid-19, we conducted colleague research asking about communications and testing our company values, inviting views about adding a fifth value to mark this time in our company history. They told us our values are successfully embedded throughout our business and felt strongly they should remain unchanged.

"They're so well embedded, I think most people could reel them off, I think you're in danger if adding another one of people thinking change for change sake..."

Operational colleague

"I think particularly in the last nine months or however long we've been at home, the communication has stepped right up and I just think keep that going."

Non-manager

We enhanced our embedded wellbeing strategy, creating opportunities for regular wellbeing conversations and increasing availability of support – we make wellbeing calls to everyone returning from a period of self-isolation. We produced a weekly wellbeing e-newsletter and ran wellbeing cafés and virtual events with external experts such as Mind and Marie Curie. Business in the Community Cymru recognised our work on wellbeing when they reviewed our approach to looking after our colleagues and our customers, awarding us Responsible Business Champion in 2020.

EXAMPLES OF OUTPUTS/OUTCOMES

- Daily Exec calls from March 2020 – moving to three times weekly in August
- 11 online colleague engagement sessions
- 15 Exec 'talking head' films
- Weekly TU meetings or calls every week (moving to fortnightly later in 2020)
- Four online colleague events, eight stakeholder online events, 11 CEG meetings
- 52 'Things to do at home' publications

Empowering community groups to take the lead

With the UK Government urging people to volunteer to support the NHS and the most vulnerable in our communities as the first wave of Covid-19 began, we quickly engaged with local authorities, Health Boards and Resilience Forums offering support.

Pausing our planned work, including new connections, to comply with Government guidelines and focus on responding to gas emergencies and maintenance work provided the perfect opportunity for our workforce to help with deliveries of essential supplies as needed. While our engagement and offer of support was initially welcomed by these groups, our opportunity to provide meaningful support was limited due to local authorities' management that differed from county to county.

Based on feedback from these stakeholders, it became clear that financial support would be more beneficial to reach those most in need – so, alongside our existing colleague volunteering and charity fundraising 'Match Funding Scheme', we developed our Safe and Warm Fund.

NEW Originally, we had planned to launch this Fund for GD2 based on previous feedback. We brought this forward and adapted its planned focus, enabling front-line organisations responding to the Covid-19 crisis to apply for support.

These included community and parish councils, not-for-profit co-operatives or community interest companies, charities and community groups.

Recognising the sharp rise in those finding themselves in vulnerable situations due to the pandemic, we wanted support to be available to a range of organisations from food banks to domestic abuse charities. We also wanted this support to be as targeted as possible, allowing us to maximise not only the impact of our funds on communities but also the support offered by existing groups.

A structured, but simple application process based on best practice and fair assessment criteria enabled voluntary organisations to tell us what mattered to the communities they support and how they could make the biggest difference. This, in turn, enabled us to successfully identify and map the benefits applicants could offer our communities. Recognising the urgency of the situation, we changed internal processes to allow us to make support payments quickly. The ease of application and pace of payment (just over one month from the opening of applications to receipt of funding) helped fill a gap identified by stakeholders and organisations working in the front line.

This approach delivered significant benefits, helping local organisations extend or relaunch their services, directly supporting more than 3,800 of the most vulnerable people in our communities and many more indirectly. One of the organisations to benefit was Age Connects Torfaen. Before Covid-19 hit, they ran a lunch club for more than 200 elderly and vulnerable people a week. Supported by the rapid award of our funding, they were able to offer a hot, home-cooked meal delivery service.

"Our hot meal delivery service has been such a hit and the feedback has been positive. So much that we have adapted further to run virtual lunch clubs, for those with access to the internet."

"The benefits of a home-cooked meal are evident and we are delighted that the funding allowed us to continue so that local people across Torfaen are able to feel connected to their friends."

Emma Wootten, Development Co-ordinator for Age Connects Torfaen

EXAMPLES OF OUTPUTS/OUTCOMES

- More individuals and communities are able to stay safe and warm
- More than 400 applications received. Between £500 and £5,000 donated to 21 organisations, totalling £55,857
- Estimated more than 3,800 people supported directly and more than 23,300 indirectly.

Responding to disruption and communicating with customers

While the Covid-19 pandemic has dominated the lives of the communities we serve in the past year, in parts of our network, day-to-day life has been disrupted in other ways. Our colleagues have responded in any way they can, keeping the energy flowing safely and looking after those most in need, while taking precautions to stop the spread of Covid-19. And this year, we've adopted new communication techniques – after long-term industry engagement – to improve outcomes for our customers.

Skewen

In 2019-20 we highlighted our role in developing Britain's first national flood map to help utilities take action to protect their assets from increased flood risks. However, that tool couldn't have predicted the blowout of an old mineshaft in Skewen, a village on the outskirts of Neath. Approximately 40 homes and 80 people were affected by flooding with mine water and sludge, with a number of homes damaged beyond repair. Throughout GD1, our customers have told us that supporting them through interruptions to gas supply, disruptions in their community and keeping them safe is a top priority.

In response to the mineshaft blowout, we became part of a multi-agency response, alongside the Coal Authority, Neath Port Talbot Council, and electricity network Western Power Distribution (WPD). Our customer service vehicle was sent to the area, where colleagues explained in detail the work we would have to do to make the area gas safe. After repairing the damage to the gas network caused by the mineshaft, our engineers went door to door to isolate

gas supplies so homes could be surveyed for damage. Engineers returned to turn gas supplies back on safely once they were confirmed to be structurally safe.

New ways of communicating

Skewen was one of the first responses to major incidents where we used a text and email service to keep customers updated on progress of work at their home. The service is part of a wider customer contact detail project that gives us the ability to contact customers via text message and email, and is the result of several years of engagement we led on behalf of gas networks.

Starting in 2017, we worked with Ofgem, Xoserve and energy suppliers to develop use cases and make the relevant change to the Supply Point Administration Agreement. The use cases are:

- planned interruption to gas supplies – for our mains replacement work
- unplanned interruption to gas supplies
- work we are required to do at homes under Gas Safety Regulations
- contacting people who live in a multiple occupancy building
- arranging a Guaranteed Standard of Performance Payment.

The service took some time to come to fruition, with enhanced data protection provisions in place to make sure the process is GDPR compliant. It is now operating successfully at Wales & West Utilities, although there remain challenges around the involvement and commitment of some suppliers to provide data. We plan to continue our engagement to make sure this service is increasingly useful for ourselves and all GDNs.

As well as using it in Skewen, we used it on two small incidents: Bradford on Tone and Honiton in south west England just before Christmas 2020. The service allowed us to keep customers updated on when they could expect their gas supply to return to normal in a Covid-secure way. In both incidents, our engineers worked round the clock to safely restore supplies before the festive period.

Looking to the future

As we enter GD2, we are using the new text service to update people on the rare occasions we do fall short of our Guaranteed Standards of Service, proactively offering them compensation. Customers warmly welcomed this:

"Thank you for your email I assumed I would have to contact you. So I am so impressed that you have contacted us first."

EXAMPLES OF OUTPUTS/OUTCOMES

- Led sector engagement to change Supply Point Administration Agreement
- Access to 12.9m customers contact details in the UK
- 1,046 text messages sent since rolled out
- Positive feedback from customers – more work to do with suppliers.

Bespoke safety solutions to meet stakeholder needs

SCALED UP In light of the implications of the Grenfell Tower tragedy, we've continued our large scale engagement programme with all local authorities, Fire & Rescue Services, high-rise multiple occupancy building (MOB) occupiers and owners to explore and provide advice on their building work plans, and share information about our network investment plans.

This was scaled up in 2020 to incorporate medium-rise MOBs, of three to five storeys. Local authorities are the major building owners and landlords for MOBs and our considerable programme of engagement focused on the appropriate departments to make sure that any refurbishment works do not affect the safety of the occupiers. Alongside this, we commenced an identification programme on complex distribution systems (CDS) which impacts buildings outside of the MOB definition – ie, commercial properties such as shopping centres – and agreed a programme of surveys and stakeholder engagement for GD2.

We continued to work with the wider industry to form suitable and effective regulation and controls in MOBs to help keep residents safe. As part of this, we have been

involved with the Welsh Government Consultation in 2021– 'Safer Buildings in Wales: A Consultation'. To oversee this critical work, we have centralised the management of the programme into a newly created Distribution Asset Manager role with deployment of a comprehensive survey programme embedded across our operational activities.

EXAMPLES OF OUTPUTS/OUTCOMES

Properties surveyed or inspected in 2020:

- High-rise MOB = 33
- Low-rise MOB = 5,033
- CDS = 870 (identification only).

Innovative carbon monoxide campaigns

Safety Seymour

During GD1 we've worked alongside the other GDNs to raise awareness of carbon monoxide (CO) through the Safety Seymour campaign. Originally delivered by our Gas Safety Ambassadors in schools, this moved online during the pandemic with the launch of the Safety Seymour website. We targeted parents with young children in April 2020, offering an alternative to home-schooling. The website offered safety-focused videos, activities and stories – all with an element of fun.

Targeted activity

Safety Seymour delivers part of our CO Strategy, focusing activities on those most at risk from the effects of CO. Supported by research conducted with the other GDNs, we identified that young people between 16-25 were more likely than others to not have an audible CO alarm and to not realise the importance of having their gas appliances serviced regularly.

Consequently, we conducted research to identify what resonates most with the 16-25 age group and launched an innovative campaign. The campaign included YouTube, Facebook, Instagram, Snapchat and TikTok. This social campaign was supported by advertising on streaming services Spotify, Octave Radio and ITV Hub, serving targeted adverts based on user demographic.

Working with experienced partners, the campaign used a compelling creative message based on video gaming (73% of 16-24-year-olds play games – the largest share of game players in the UK) with a simple call to action, urging young people to learn how to stay safe, including identifying the symptoms of CO, getting an audible CO alarm, getting their gas appliances serviced annually, and knowing what to do in an emergency.

The campaign pilot ran for a month, and we're working with other networks to explore a nationwide rollout, with an enhanced call to action and endorsement from influencers.

Installing alarms

Socialising the cost of free CO alarms has long been an issue for some community representatives and our Critical Friends Panel, who wanted us to make sure we do this proportionately and cost effectively, and carefully target recipients.

With partner working restricted during Covid-19, our emergency engineers began installing CO alarms during call-outs for the most vulnerable customers, in addition to routinely providing CO advice and priority customer information leaflets. We asked engineers for feedback on the free CO alarm exercise – customers said they feel safe, with increased peace of mind and improved wellbeing, and our engineers reported additional job satisfaction.

EXAMPLES OF OUTPUTS/OUTCOMES

- More than 53,000 people saw our social media posts about the Safety Seymour website, and more than 10,000 engaged with the content (click-through, like, share, or retweet)
- Almost 647,000 people aged 16-25 saw or heard our key CO safety messages
- Almost 13,000 click-throughs to our dedicated campaign web page, where people could learn how to protect themselves and their family from CO
- Campaign ready for nationwide roll-out
- CO provision and advice: For every £1 spent – £1.20 net benefit (2019/20 base).

5 A sustainable future

Building on big data

In 2021, we developed an Energy Systems Toolkit, in response to an increasing number of requests from local authorities and community groups for support with net zero planning. This was also supported by feedback received from our Citizens' Panel who highlighted the importance of making 'informed choices' on the future of energy.

The toolkit is aimed at these regional stakeholders and designed to be accessible to experts and non-experts alike. It supports organisations' planning at different stages of their net zero journey. It includes a simplified version of our Pathfinder tool, allowing stakeholders to explore the whole energy system actions they can take to help their area meet net zero targets.

While developing the toolkit, we engaged with local authorities and energy groups to complete a needs analysis, asking about tools currently used to simulate future energy scenarios and the status of net zero planning at their organisation – creating a clear picture of the challenges facing these organisations and what tools they would find useful. The toolkit will be rolled out to a number of local authorities and local organisations in 2021 for beta testing, ahead of launch in the latter part of the year.

Industry action

Our 2050 Energy Pathfinder was developed in GD1 – from 2015 when it was used to evaluate independent proposals to create a totally renewable powered Cornwall. In 2020 we reported on the development of Pathfinder Plus – which added economic modelling and was the only funded part of the model. Going forward, it is supporting projects that are setting out decarbonisation pathways, including the Milford Haven Energy Kingdom, with resources to use the model provided by ourselves.

Pathfinder Plus is also being used as part of the cross-industry Gas Goes Green programme, which aims to

create the world's first zero-carbon gas grid. We provided the resources to develop a flightpath for all carbon reporting periods to 2050 without compromising supply or risking blackouts, while also accounting for the decarbonisation of transport.

Setting out a clear actionable plan on how gas goes green and decarbonises home heating will deliver positive long-term outcomes for customers and stakeholders alike. The use of Pathfinder has demonstrated that electricity and green gas networks are central to deliver net zero while maintaining customer choice, taking into account a wide range of data. The scenario developed shows that lowest customer and whole system cost lies with hybrid systems that use an air source heat pump (ASHP) and a green gas boiler fuelled by hydrogen.

Independent research also suggests that replacing natural gas with a combination of hydrogen and biomethane alongside electricity will decarbonise energy and save £13bn a year by 2050 in comparison to alternatives like full-electrification.

Pathfinder continues to play a key role in other future of energy projects we are involved with, including:

- **Milford Haven Energy Kingdom:** this is a project in partnership with Pembrokeshire County Council, Offshore Energy Catapult, Energy Systems Catapult, Riversimple hydrogen fuel cell car company, and Arup. We are exploring the decarbonisation of the energy system around a leading UK port. Pathfinder will support the design of an optimised whole energy system required for the area in the future – including hydrogen for homes and businesses, hydrogen vehicles and the opportunities for hybrid heating. This project is scheduled to complete in 2022.
- **Supporting local authorities already developing their local plans:** a county council in south west England asked us for support in modelling the future energy system in their area. Their initial plan indicated that ASHPs should be adopted as the predominate technology in the area. Our model demonstrated that a mixed approach using green gas

and renewable electricity would deliver cheaper bills for homes across the area – £2,880 a home, compared to ASHP and electrification.

Looking forward

We're continuing to share Pathfinder Plus, including with local authorities, community groups and cross industry groups like Gas Goes Green. We are taking an evidence-based, whole systems approach to our future of energy work – informed by a broad range of stakeholders, including future energy consumers – and our responsibility to society. We are sharing Pathfinder and the whole systems approach with another European energy network to inform their future energy systems planning.

Reciprocally, they will be sharing their experience of compression – improving our understanding of an issue we need to address to deliver a green gas network. Recognising we don't have all the answers, we have developed the principles of regional modelling and will be procuring support for whole system planning in GD2.

EXAMPLES OF OUTPUTS/OUTCOMES

- Pathfinder tool shared with four organisations in 2020/21 and 10 during GD1
- Five local, one combined authority and one energy group engaged on toolkit needs analysis
- Potential savings of up to £1.5bn a year (circa £3,000 per home from approx 500,000 households) through improved whole system modelling
- Gas Goes Green setting out a sustainable and affordable pathway to decarbonisation
- Pathfinder/whole systems data sharing. For every £1 invested: £40 wider net benefits. (2019 base).

Highlighting hybrids

Hybrid accelerator

In 2019-20 stakeholders encouraged us to develop the 'Hybrid Accelerator' as a fifth future of energy scenario to be considered by National Grid's Future Energy Scenario team. We used our 2050 Energy Pathfinder model and built on independent

research carried out by Navigant (now Guidehouse) as part of the Pathways to Net Zero Report, now part of Gas Goes Green. The scenario highlighted the role that hybrid systems can play in decarbonising heat sooner and more affordably than alternatives.

Customer feedback suggests that while some individuals may be willing to change to a lower carbon heating system, there are significant concerns in terms of cost, particularly around installation and the disruption that the switch may result in.

HYBRID HEATING SYSTEMS

Hybrids use a gas boiler and an electric ASHP alongside smart control software. The system fitted can flexibly switch between using renewable electricity, when it's available, and green gas at other times – enabling the full decarbonisation of heat with switching driven by cost and carbon. This joined-up approach is cost effective and avoids the need to overinvest in home insulation, generation or electricity distribution and transmission. It also avoids the need for disruptive changes to in-home appliances and radiators. Installing a hybrid heating system that uses gas and electricity is more cost effective than installing an electricity-only system that then requires significant insulation and changes to appliances.

HyCompact

Our industry-leading Freedom Project trial, run earlier in GD1 alongside WPD, resulted in customer feedback that they appreciated the benefits hybrids offered but wanted them to be smaller and more convenient. So, in 2020-21 we kicked off the HyCompact project, alongside UK Power Networks.

The project combines the ASHP and the gas boiler into a single unit that can be hung on the wall in place of a conventional gas boiler, known as 'Compact Hybrid Heating Systems'. Research suggests a high level of customer appeal, although incentives are likely required for customers to install them due to high levels of satisfaction with their current heating systems. A real test in homes in Wales and south east England, as well as

customers' views, HyCompact will also demonstrate the impact of hybrid heating systems on gas and electricity networks.

This project will continue until winter 2022 and findings will be fed into our engagement activities with customers, stakeholders and policymakers.

Hybrid rollout

In 2020-21 we also delivered the 'HyHy' project, to address questions on the impact of a roll-out of hybrid heating systems, and how they could support a roll-out of hydrogen and speed up decarbonisation. This found that hybrids – which rely on the ASHP for most of the heating demand and switch to gas on the coldest days and to heat homes rapidly – have a material benefit for hydrogen supply, reducing the amount of production and storage required. It also reiterated that meeting peak heat demand through electrification was significantly more expensive, and that a 'hybrid first' approach – urging government to roll out hybrids immediately, irrespective of location or future heating technology – would reduce cumulative emissions, meeting successive carbon budgets and getting to net zero quicker.

EXAMPLES OF OUTPUTS/OUTCOMES

- Increasing the evidence base on the benefit of hybrid heating systems and the role they can play in getting to net zero
- Gathered further customer and stakeholder feedback on the use and operation of hybrid heating systems
- Customer and stakeholder feedback reflected in future of energy activities.

Working together to positively change behaviours

NEW We're working with Bristol Water, Bristol Waste, University of the West of England, Wessex Water and Bristol Pay to promote resource efficiency more effectively together. We want to understand what messages trigger behavioural changes that will positively impact on local environments and will monitor results

through consumption and waste volumes. A trial area in Southmead, Bristol has been identified where, under a single 'Resource West' brand, we can engage in-depth with 100 homes and use the learning gained to support messaging across the whole of Bristol. A detailed plan has been developed and work is under way including analysis of energy and water consumption and waste data for the trial area while engaging with local stakeholders to develop grass-roots allies.

Our projected outcomes include:

- More energy efficient homes, thereby reducing greenhouse gas emissions
- Lifting more homes out of fuel poverty
- Improvements to the participants' health and wellbeing
- Increased gas safety awareness
- Improved knowledge of how to promote behaviour change in relation to environmental sustainability.

Sharing, innovating and evaluating to protect the environment

SCALED UP Shaped by stakeholders, our multifaceted Environmental Action Plan (EAP), published in 2019, brings together our environmental protection plans – a key customer priority.

We shared our best practice approach to the development of our EAP, as well as its implementation and current progress, at a network and training webinar hosted by Low Carbon Swansea Bay.

"The work you are doing both internally and through pioneering collaborations at a strategic level is inspiring."
Philip McDonnell, Co-ordinator for Low Carbon Swansea Bay & Swansea Environmental Forum

NEW Our commitment to supply chain sustainability is shared in our Charter, encouraging suppliers to work with us to minimise environmental impacts considering whole life costs across the value chain, reduce the use of natural capital and to reuse, repurpose or recycle waste.

Recycling waste is particularly important to stakeholders (see Part one, page 9) and we are keen to reduce the impact of construction spoil by reuse. This is challenging in south west England given the limited availability of re-use facilities involving longer and costly journeys of waste recycling – with associated harmful vehicle emissions.

NEW To address this, we're supporting ReCon Soil, a new innovative project led by University of Plymouth which is developing a safe and sustainable source of healthy soils from construction waste. Our Business Carbon and Environment Manager is helping the project team and we're exploring other proactive support.

NEW A colleague suggestion that we recycle our hard hats is being trialled this year. We could save 219kg a year diverted from landfill, based on buying 547 new hard hats a year. If successful, this will potentially divert more than 2,500 hard hats from landfill during GD2. We are now looking at the possibility of recycling other construction purchases, such as ladders.

EMBEDDED Building on our culture of innovation, we set up an environmental innovations email suggestion inbox, also promoted to colleagues to encourage their ideas.

Since 2013, our Innovation team has received 1,349 ideas – including 237 in 2020/21, many from colleagues. Of these, 320 are actively being worked up/taken forward to improve outcomes for customers and communities, realising benefits of £16.3m in GD1 and £3.4m in 2020/21.

SCALED UP We've made progress 'greening' our company car fleet and improving the energy efficiency of our properties – our Redruth depot opened in 2020 with a net zero Energy Performance Certificate (EPC) rating.

EMBEDDED Measuring impact is important and in 2019/2020, we used the Defra metric for biodiversity to baseline our activities and as proof of concept. **NEW** Over the last year we've engaged on the development of the 'NATURE' tool to expand our earlier work. This is being developed as an industry standard for the built environment sector to objectively assess, manage and implement net benefits for the environment based on

locally defined priorities and objectives. We are committed to trialling this 'free to use' tool to support its continual development. Our portfolio of impact measurement tools also includes social return on investment (SROI) which looks at the wider social benefits of our actions, eg our commitment to plant five trees for every one cut down.

EXAMPLES OF OUTPUTS/OUTCOMES

- SROI calculated for every £1 spent on planting five trees for every one cut down shows wider net social benefit of £11.22. (2019 base)
- Average car fleet CO2 emissions g/km reduced from 101 on 1 Apr 2020 to 86 on 1 Apr 2021
- Sustainable Supply Chain Charter published
- Wider sharing and collaboration to promote sustainable behaviours.

Leading the way in smart collaborative infrastructure planning

SCALED UP Stakeholders, particularly customers, said improved utility communications to minimise disruption in infrastructure planning was a priority to get right. Looking for an area to pilot this, we recognised the need for a more strategic and collaborative approach to medium-term planning in the wider Cardiff region – where large projects such as the South Wales Metro and electrification of parts of the Core Valley Line are in development. For our own part, with Cardiff identified as a potential hydrogen city, a completely plastic gas network would be required, which in itself would be a disruptive programme.

We brought key infrastructure providers together to create a Strategic Infrastructure Steering Group (SISG), comprising Wales & West Utilities, Transport for Wales, Network Rail, WPD, Cardiff City, Merthyr Tydfil and Caerphilly Councils, Welsh Water, Openreach, South Wales Trunk Road Authority and other local authorities. We gained input and shared learning from Welsh Government, the UK National Underground Asset Register project and Welsh Highway Authorities and Utilities Committee.

We first scoped out the benefits and challenges associated with a strategic collaborative approach for common agreement to a project that would involve sharing and mapping of big data on essential and critical infrastructure assets. A data hub pilot project with associated objectives – to minimise cost, speed to outcome, test data/data flows, proof of concept, working together and start to unlock benefits – was agreed in 2020 and we led on taking this forward. As confidentiality agreements were set up, we digitally transferred data relating to group members' current assets and planned work into a joint data repository, using our own ESRI/GIS digital mapping platform. This brought together big data into a central hub – designed to be dynamically refreshed as plans inevitably change and evolve.

The pilot successfully delivered all its objectives and the SISG confirmed there are significant current and future benefits to be gained from sharing of data and significantly improving the collaborative strategic planning and operational delivery of infrastructure in Wales and the UK.

The benefits are summarised below:

- Environmental improvements – by reducing traffic congestion, supporting 'Clean Air in Towns & Cities'. Less roadworks, reducing waste and spoil.
- Better value for money – by better strategic co-ordination, reducing excavation and waste costs, reducing customer and infrastructure provider costs.
- Societal benefits – by strategic planning and collaboration, unlocking societal benefits, such as new green energy infrastructure and supporting fuel poverty.
- Future proofing – with strategic co-ordination and delivery of all future infrastructure.
- Improved health and safety – less road works improves colleague and societal health and safety.
- Reduced traveller inconvenience – 'since 2018 drivers in Cardiff city are losing 143 hours a year stuck in traffic during peak times – around 19 full working days at a cost of around £1,056 per driver – from Cardiff Transport White Paper – Transport Vision 2030.
- Strategic collaborative working supports sustainability and delivery beyond the pilot.

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