Our Ref: GS/kh/Ofgem/SPower



17 October 2013

Anna Rossington Head of RIIO-ED1 Ofgem 9 Millbank London SW1P 3GE

## By Email: anna.rossington@ofgem.gov.uk

Dear Ms Rossington

## **RIIO-ED1 Price Control Review**

I write on behalf of GMB to provide Ofgem with positive feedback on the stakeholder engagement that Scottish Power (SP) undertook with the trades unions representing its employees whilst developing the business plan submitted to Ofgem under RIIO-ED1.

Our GMB Scotland official advises that we have enjoyed a very constructive engagement with SP around the RIIO-ED1 process. GMB supports the business plan submitted by SP on the basis of its scope to provide job security, a safe and healthy workplace and value for customers and the public. SP's RIIO-ED1 stakeholder engagement process was comprehensive and engaged stakeholders prior to, and throughout, the development of their business plans. Staff and trade unions were engaged in identifying priorities and developing the plans, and I understand that the whole stakeholder base was engaged across Scotland, England and Wales. GMB also welcome the company's commitment to continue listening, learning and acting on feedback from the trades unions (and others) as stakeholders.

GMB wishes to particularly emphasise that we totally endorse SP's commitment to zero harm for workers. The target of zero lost time accidents for employees in the ED1 period sets the benchmark for the industry, whilst the strong focus on both public safety and protection for vulnerable customers will continue, with strong customer service commitments backed up with voluntary compensation.

GMB recognises and support SP's commitment to be a company that attracts and develops the skills for the future across the supply chain and from within local communities by working with local colleges, contractors, universities and across sectors to recruit and train the future workforce; by developing the new skills and behaviours to meet the changing landscape and by using the PowerWise Schools Program to make maths and science attractive to pupils.

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Of course, we also warmly welcome the commitment to recruit 1500 staff between now and 2023 across all operational areas.

Given the consultation and co-operation which took place between the company and its employee stakeholders, like GMB, in developing its business plan, I am sure that you recognise that SP and GMB have a shared objective around safety, and hope that Ofgem will acknowledge that adequate levels of investment under RIIO-ED1 will be required for the aim of zero harm to workers to be achieved, and also to ensure that the proper levels of skills can be maintained in the industry. A poor regulatory settlement could only put undue pressure on the company and its employees. We hope that this will not be the case.

Yours sincerely

GARY SMITH NATIONAL SECRETARY Commercial Services Section

cc Jim Moohan, GMB Scotland