

# Workforce and Supply Chain Resilience Strategy



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# Contents

1. Introduction .....	3
2. Workforce Resilience .....	4
2.1 Unlocking our future capabilities .....	5
2.2 Our workforce today .....	6
2.3 Focus areas in 2026-2031 .....	6
2.4 Regional factors and economic value .....	9
2.5 Economic benefit of the Wales and West region ..	10
2.6 Our Commitments .....	11
2.7 Work Resilience Metrics.....	20
3. Supply Chain Resilience Strategy .....	22
3.1 GD3 Supply Chain Resilience Strategy .....	22
3.2 Challenges faced by the Supply Chain .....	23
3.3 Further examples of GD2.....	24
3.4 Strategic initiatives for GD3 to deliver the Supply Chain Resilience Strategy .....	25
3.5 Maintaining Maximum Competitive Tension.....	26
4. Conclusion .....	27

## Acronym Key

AI	Artificial Intelligence
APV's	Ambition, Priorities and Values
EDI	Equality, Diversity and Inclusion
EU	European Union
GDN	Gas Distribution Network
HSE	Health & Safety Executive
ISG	Independent Stakeholder Group
PPE	Personal Protective Equipment
SROI	Social Return on Investment
STEM	Science Technology Engineering Mathematics
TIDE	Tackling Inclusion & Diversity in Energy

### Legal Notice

This paper forms part of Wales & West Utilities Limited Regulatory Business Plan. Your attention is specifically drawn to the legal notice relating to the whole of the Business Plan, set out on page 3 of Document 1 of WWU Business Plan Submission. This is applicable in full to this paper, as though set out in full here

# 1. Introduction

Our Workforce and Supply Chain Resilience Strategy outlines our commitment to building robust working environments that ensure sustainable operations, and drive value for our organisation, colleagues, and stakeholders. Recognising the complex challenges posed by evolving industry dynamics, technological advancements, and societal expectations, this strategy seeks to set out objectives across workforce resilience and supply chain integrity, enabling us to adapt effectively to current and future demands.

Both our workforce and supply chain strategies are foundational to achieving immediate and long-term success in the energy sector, and build on our successes in RIIO-GD2, with shared priorities such as adaptability, inclusivity, and sustainability. By fostering a resilient workforce and a secure, responsive supply chain, we aim to ensure the continued delivery of high-quality services while meeting ambitious goals, such as supporting a Net Zero future.

Key themes that emerge from this strategy include:

- **Adaptability and Future Challenges:** Emphasising skill development, innovation, and proactive measures to meet the demands of a rapidly changing environment.
- **Equity, Diversity, and Inclusion:** Cultivating an inclusive culture that values diverse perspectives within our workforce and supply chain.
- **Health, Safety, and Wellbeing:** Prioritising physical and psychological safety for our colleagues and maintaining reliability and safety within the supply chain.
- **Communication and Trust:** Building trust through transparent, consistent communication across all levels of the organisation and supply chain.
- **Sustainability and Climate Awareness:** Aligning operations with sustainability goals and promoting the energy sector as a climate-conscious career choice.

Our approach not only addresses immediate operational requirements but also reflects our aspiration to be a leader in the industry, driving innovation, fostering inclusivity, and delivering tangible benefits to the communities we serve. With workforce resilience and supply chain integrity as complementary pillars, we are well-positioned to navigate the evolving challenges of our sector and achieve a sustainable, future-ready business model.

## 2. Workforce Resilience

Our workforce is essential to our success, and we aim to be an employer of choice in our region. By continually developing our colleagues, attracting and retaining talent, and ensuring people have a positive experience at work, we strive to meet the evolving needs of our colleagues and the business. This strategy focuses on building a resilient workforce that can adapt to future challenges.

We are committed to providing fulfilling careers and supporting our colleagues' growth through high-quality training and development. We also aim to attract diverse talent with various backgrounds and experiences.

This strategy addresses the impact of cultural and technological changes, particularly the growing awareness of climate change, in relation to the delivery of our outputs and customer expectations. We know we need to attract, develop, and retain a workforce that can meet current demands and future challenges.

Our commitments for the 2026 – 2031 regulatory period rely on having talented and dedicated people. We have engaged with colleagues and stakeholders to develop a strategy that is fit for the future.

Key focus areas include:

- Creating an inclusive environment where all colleagues feel valued and respected.
- Building trust through clear communication during times of change.
- Promoting the energy sector as a desirable and climate-friendly career choice.
- Enhancing colleague satisfaction and maintaining low turnover rates.
- Equipping the workforce with the necessary skills for future challenges.
- Prioritising the health, safety, and well-being of all colleagues.

We will continue to regularly engage with our colleagues, Trade Unions and external stakeholders to shape our approach, ensuring it evolves based on our experiences and learnings.

## 2.1 Unlocking our future capabilities

Our people are at the heart of delivering for our customers every day, and to do this we strive to be an employer of choice within our region. By continuously developing our workforce, attracting new talent, improving the experience of working within our business, and creating and facilitating opportunities for our colleagues in order to meet the current and future needs of our people, we will work to ensure our workforce resilience strategy meets the needs and demands of an evolving landscape.

We want to build on our successes of the past, building on our strong record of providing fulfilling careers across generations of people in the communities we serve. To continue this into the future we want to support our colleagues to develop skills by providing high quality training and development opportunities. Alongside this, we also strive to attract a broader range of talent with different backgrounds, skills and experiences.

Cultural and technological change are new influences in terms of what we need to achieve as a business, but also what colleagues and customers expect from us. In particular, the greater awareness of climate change has altered the way in which colleagues and customers view our business. We need an approach to attracting, developing and retaining our workforce which enables us to deliver our plan for today, whilst looking towards the future so we deliver for our region, society as a whole, whilst continuing to maintain high customer satisfaction.

Our commitments set out in our plan for the 2026 – 2031 regulatory period cannot be delivered without talented, dedicated people. We have engaged with colleagues, stakeholders across the industry, and our region to ensure we develop a workforce resilience strategy which is fit for the future in order to achieve these commitments.

Our strategy draws from the areas of the business plan that have the most influence on our workforce, highlights areas of change, their impact and how we plan to address them, focussing on:

- **Fostering an inclusive environment** where all colleagues feel appreciated and respected.
- **Building trust and confidence** by ensuring clear, consistent communication during times of change and uncertainty.
- **Promoting the energy sector** as an attractive career choice and an increasingly innovative, climate friendly option.
- **Enhancing colleague satisfaction** and maintaining low turnover rates.
- **Equipping the workforce** with the necessary skills for current and future challenges.
- **Prioritising the health, safety, and overall wellbeing** of all colleagues.

Throughout the strategy, we will highlight where our stakeholder engagement has informed our thinking, and where we have considered the feedback given from our Independent Stakeholder Group (ISG) which has scrutinised our Business Plan for the RII0-GD3 regulatory period 2026 -2031 and the processes we used to put this together. The group is independent and tasked with using their expertise and experience to offer strong, robust challenges to company proposals. The seven-strong group has specialisms in communications and engagement; utilities including the energy sector; business; safeguarding vulnerable customers; and research. Their full bios, and professional credentials can be found on our website [here](#).

We know that our plan will evolve as we learn from our experiences and from others. We commit to engaging with our colleagues and Trade Unions regularly to shape our plan and approach.

## 2.2 Our workforce today

Wales and the South West of England has a rich heritage of which we are proud to be a part. Whilst industry and the landscape has changed over decades – we continue to provide stability to the communities we work within and are proud to be one of the largest employers in our region.

We directly employ c.2,000 colleagues across our region and through times of hardship and change, we have been able to provide stability of employment, excellent working conditions, competitive pay and alternative and new career opportunities in areas of the UK which is known to have more than its fair share of socio-economic challenges.

We're proud of our award-winning apprenticeship and graduate engineering programmes which have provided new opportunities across our geography, leveraging our high quality technical training provision and highlighting career pathways in skilled areas of work. We're proud that we've recruited c.200 apprentices into our business to date, with 76% still employed and 44% having progressed into management positions.

Our focus on equity, diversity and inclusion (EDI) has also been recognised within the industry, by our colleagues, and also by the Chartered Institute of Personnel and Development – seen as being trailblazing for its approach to embedding inclusivity in order to drive diversity. We know that we need to be attractive to a broader range of people within the communities we serve and therefore are embarking on a significant EDI programme which is seeing tangible results within our business already. For example, 41% of those appointed into management roles across the business in the last year were female, and 9.6% of those who have joined WWU since June 2024 have declared a disability.

## 2.3 Focus areas in 2026-2031

The strategic direction for our 2026 – 2031 plan is driving significant change in our workforce resilience plans compared to previous price control periods. Areas of focus are:

**Change in work type** – the Health & Safety Executive (HSE) has reviewed the iron mains enforcement policy. The result is likely to require a significant increase in replacement volumes of large diameter iron mains. This increase will drive the need for relevant people with skills and competence requiring recruitment, training and mentoring above and beyond our current plans for delivering mains replacement.

**Transition to net zero** – In RIIO-GD3 our pipelines and infrastructure will need to keep on providing the safe, secure energy supply that our customers expect in the present day - while we prepare for and react to decisions about the future. To achieve this, we will support our existing valued workforce to uphold our high levels of service and implement training and recruitment plans that embed the skills and people we need for the future.

**Data and digitalisation** – Our plan for digitalisation intends to make the most of technology in RIIO-GD3 to enhance efficiency, support improvements to customer service, and contribute to the transition toward net zero. As we embrace and implement digital solutions, we remain committed to safety, affordability, and reliability.

**Innovation** – Our funded innovation in RII0-GD3 will be committed to the future of the energy network to meet the challenges ahead. This will include research on technologies and techniques to help prepare for repurposing in a range of scenarios, alongside helping to meet the needs of vulnerable customers throughout the transition. We will build on a key company value of embracing new ideas and innovative solutions to further a culture of challenging the status quo and seeking continuous improvement.

**Equity, Diversity & Inclusion (EDI)** – A study conducted by [McKinsey](#) confirmed that there is widespread acceptance of the value that EDI brings to an organisation and that increased diversity and inclusiveness are central to high performing teams. Customers, stakeholders and colleagues expectations continue to change and it is our responsibility to ensure equitable working practices and opportunities and remove barriers for underrepresented groups within our organisation and during our attraction, recruitment and selection processes.

Following the energy industry’s annual EDI conference, the whole energy sector is taking action to attract a more diverse range of people to work in the sector to meet the collective challenges we have in attracting enough skilled people as we work to transition to net zero. Our [EDI strategy](#) and action plan lays out the ambitions we set for ourselves now and in the coming years. Alongside this, we plan to work collaboratively across the sector with the help of TIDE - Tackling Inclusion & Diversity in Energy cross-industry group, our sector skills council and other specialist organisations to ensure we play our part in driving positive change through targeted action.

**Health and wellbeing** – the health and wellbeing of our colleagues continues to be of the utmost importance, with safety being central to all colleague messaging and procedures to ensure colleagues protect themselves and the public whilst at work. We are industry leaders with regard to our safety practices, and we will continue to focus our efforts in this way, with human factors studies and innovation helping us progress on our journey. We support our people to be happy and engaged in an environment that is physically and psychologically safe. Our people take ownership of their wellbeing, and this is further strengthened by our ever evolving strategies and policies to help them be the best they can be and to contribute to the sustainable success of our organisation. We will continue to promote a culture of safety that places equal importance on physical and mental health in an environment where diversity can thrive.

Health surveillance and health promotion have become even more important to help colleagues manage their health effectively, with support to manage health conditions and stay healthy from professionals such as occupational health, professional services and employee assistance programmes – with the benefits that this has on wider society understood. We will continue to stay abreast of emerging trends within our business, and also the wider industry to ensure colleagues are safe and supported whilst at work.

Our approach and focus on wellbeing will be continued, supporting colleagues with all aspects of their wellbeing including financial, physical, mental, social and community connection. Our [Better Wellbeing Strategy](#) sets our strategy and action plan for the coming years providing colleagues with proactive and reactive support. During RIIO-GD3 we will;

- Continue to embed our strategic holistic approach to EDI into all our people related activities and processes
- Deliver on our wellbeing strategy ensuring colleagues feel personally and practically supported at all stages of their careers and as things change around us
- Provide accessible, holistic wellbeing programmes that react to the needs of today whilst being flexible enough to adapt to the needs of the future
- Provide accessible mental health support including support in the moment, counselling, bereavement and peer support
- Seek to help those who may be at risk from abuse in whatever form this happens
- Deliver occupational health services that monitor the health of colleagues who may be exposed to health risks at work and support those who may be absent from work with health related concerns
- Promote financial wellbeing opportunities through our employee benefits portal
- Demonstrate that our safety and wellbeing activities are in line with industry best practice by collaborating with partners, and stakeholders and acting on feedback
- Continue to be an employer of choice by communicating with our people about their health, safety and wellbeing needs; demonstrating this by gaining appropriate accreditations

**Changing career trends** – Our [research](#) shows that “millennials” and “generation z” entering the workforce, have differing priorities of work from previous generations, driven by both external events like the pandemic and internal generational values, with colleagues wanting to change roles and companies more frequently. This trend is also being seen across all demographics as work becomes more flexible and balancing priorities becomes more prevalent. Creating the right workforce for the future will require us to be an employer of choice for a broader range of talent, and that our values and priorities resonate with a broader more diverse group of people.

**Changing skills requirements** – we continue to need strong leadership and management to champion the change which is required across our business and the sector during RIIO-GD3. Managing an increase in recruitment, changing skills requirements and achieving our business commitments alongside creating a more diverse and inclusive workforce. We will continue to provide our managers and leaders with the training, support and resources via our development programmes to ensure they have the skills to effectively manage the changing landscape.



## 2.4 Regional factors and economic value

Operating across two geographic regions with separate legislation in the UK, there are many nuances that we have to look at when considering how to attract, retain and engage effectively. These differences highlight the importance of understanding and addressing the unique needs and preferences of colleagues in different regions to create a more inclusive and supportive work environment.

We have faced major challenges from Covid-19, Brexit, cost of living pressures, and competition from other industries, due to the uncertainty in the gas sector and various macroeconomic factors affecting our workforce. Particularly in the southern part of the country, recruitment is challenging due to high levels of churn, remote working and an abundance of opportunities in other sectors.

Our Employer of Choice research included a selection of focus groups, below are some examples of the regional differences we found following the research.

Operational colleagues in Wales would like to see more empathy from us regarding the challenging conditions they face and expect small rewards and flexibility on tougher days. Whereas in England, colleagues appreciate the flexibility in their work arrangements. In order to respond to these differences in wants and needs we will look to acknowledge and address challenging conditions with empathy and understanding and look to provide more flexible hours where possible when conditions are poor on tougher days to make colleagues feel more appreciated. Ensuring clear communication and messaging to ensure consistent managerial approaches across regions and empower our managers to facilitate discussions on a one-to-one basis is therefore critical.

In Wales, the importance of being able to stop thinking about work, when not working was emphasised and this is seen as an integral part of good work-life balance. In contrast, colleagues in England may have more fluid work-life boundaries and prefer work-life integration. To overcome these differences, we propose continuing to respect and support the need for clear boundaries to help colleagues stop thinking about work when not working and implement consistent managerial practices along with clear communication across the organisation to ensure all colleagues feel valued and understood.

Our research says that to continue to be an employer of choice in our differing regions, we should focus on increasing workforce skills and development for South West England and emphasise inclusivity and invest in apprenticeships while addressing regional differences and career progression concerns across Wales. By tailoring our approach to the above specific needs and preferences of colleagues in Wales and South West England, we can enhance our attractiveness as an employer in both regions. It is important to note that the Welsh and UK governments differing approaches to education, training and management of skills provide us with challenges when accessing appropriate training programmes and ensuring the consistency of skills across our region.

Whilst colleagues have been honest and provided valuable input into our strategy, it is important to note some of the regional differences that are apparent across our geography concerning employment levels and standards of living. Wales in particular is vast – with areas of high employment and job security, but also areas where unemployment is high, and job security is sought after. According to the [Labour Market Statistics report](#), the unemployment rate in South East Wales was 4.2%, Mid and South West Wales was 3.6% and North Wales was 2.8%. Job Security is often a significant issue in parts of Wales, with South Wales Valleys struggling with long-term unemployment due to a legacy of economic insecurity following the closure of coal mines and steelworks.

The standard of living across Wales can vary significantly depending on whether people are living in an urban or rural area, urban areas like Cardiff offer a higher standard of living whilst rural areas like South Wales Valleys may offer lower housing costs and a slower pace of life but there tend to be fewer job opportunities with higher unemployment rates and less access to public services amenities. We are proud to be a good employer in the region, offering good job security, skilled jobs and fair pay.

## 2.5 Economic benefit of the Wales and West region

Our investment of circa £2 billion in GD3 contributes £56<sup>1</sup> for every £1 we invest in the Wales and South West region in gas distribution. A large part of this benefit comes from investing in an insourced employment network that provides societal benefits over 100 years plus.

The economic benefits of our business plan can be split into 5 areas, the outputs we deliver, the revenue we earn, the employment benefits to our region, the value added and the tax revenue that we provide to support our essential services.

Our outputs are split across 6 categories which support customers, a reliable utility network, safe working practices, environmental considerations and social obligations. These form a large part of the economic factors at play to ensure stability in the region to help deliver strong local communities which contribute to the UK economy.

This section only covers the employment benefits for our region.

Our predominantly insourced employment strategy contributes significantly to the economic value our region receives from the investment in the gas network. We offer benefits across reward and remuneration, health and wellbeing, skills and development and our equality and culture programmes.

Over half of the £56 economic benefits come from the vast colleague health and wellbeing benefits we provide across all colleagues. Our approach has been recognised by the Society of Occupational Medicine as being exemplar in the UK. These have a major impact on society from lower unemployment, improved health and wellbeing and reduced crime.

From private medical insurance for management to an online GP for all staff, we are reducing the burden on the NHS and freeing up appointments in local doctors surgeries. Our employee assistance programme also supports mental health, financial and general wellbeing support. This has a significant impact on people's health and a cost reduction for the NHS across our region.

Training and development consist of apprenticeships, professional qualifications and technical training, this has a fundamental impact on the economy across the UK, once educated, colleagues contribute economically tenfold. From supporting future generations and delivering workload they mentor and guide the future resource pool. These benefits cover over 45 years of an average working life and contribute further for future generations of 20-plus years. The societal benefits come from higher lifetime earnings for educated individuals, these are benefits for the taxpayer and the reduced need for public sector funding for social services (i.e. Benefits and impacted follow on services).

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<sup>1</sup> This is based on using UK HMT green book parameters for specific factors we have chosen linked to our employee benefits and construction industry impacts. This is not comparable to the SROI calculations used for vulnerability across GDNs as stipulated previously by Ofgem.

We also have numerous policies covering areas like family friendly, carers, hybrid working to name a few, these have been valued and included in the economic value of our business investments. Again, thus reducing strain on public sector funding.

## 2.6 Our Commitments

Based on the feedback we have received from our stakeholders, and in consideration of the changing environment that we will operate in highlighted above, we have developed three commitments in relation to workforce resilience. These will ensure the successful delivery of our plan from 2026- 2031.

Each commitment has a supporting plan and metrics allowing us to measure the effectiveness of our interventions and will allow us to adapt as necessary throughout RIIO-GD3.

Our commitments are:

1. To be an employer of choice in our region by fostering a culture of inclusivity, growth and recognition, where every team member feels valued.
2. Attract and retain diverse and talented people who better reflect the communities we serve.
3. Invest in improving our colleagues' knowledge and skills so we can deliver a Net Zero ready network.

When these commitments were tested with our stakeholders, we received strong endorsement. Many stakeholders appreciated the forward-facing nature of our commitments, with training, upskilling and diversity running through them as key elements. The wide range of actions underpinning them was thought to align with current labour market expectations which led to optimism that we are taking steps in the right direction. Stakeholders from charities and environmental groups in particular commended the level of ambition we've shown to our commitments, specifically around colleague engagement and our continuous learning and career development plans to equip colleagues with the suitable skills needed for changing roles within a decarbonising gas network.

Our engagement showed that there was a strong consensus among stakeholders on the importance of continuing to invest in apprenticeships while widening access to our training programmes. Further down in our strategy, you'll see our commitment to 100 apprenticeships throughout RIIO-GD3 and our introduction of career pathways along with ensuring our training offering is fully accessible.

We also received feedback that we need to create an inclusive recruitment framework and improve staff equality monitoring. As a result, we have implemented our [EDI strategy](#) and rolled out training to all colleagues, we've also improved our recruitment strategy to create an inclusive framework from advert to on-boarding of colleagues.

For the first commitment, our research supports the evolution of a values-based culture with people practices aligned to it. The emphasis is on creating an environment that supports innovation, wellbeing, and ethical practices, aligning organisational actions with the values and expectations of all colleagues and stakeholders.

The ISG has provided valuable insight and challenge into our plan and provided feedback regarding the potential increase in colleague turnover the business may see, the skills shortage across the industry alongside the competitive nature of the market across the sector, and the rising importance of retention strategies.

We are addressing these challenges with our commitment to increasing our number of apprenticeships and also focus on resourcing with a dedicated [retention strategy](#). We estimate that 500 jobs will be advertised across our region, including 100 new apprenticeships. Our approach to resourcing will continue to evolve – focussing on a diverse portfolio of recruitment methods including; returners to work, veterans, ex-offenders and school and university leavers. As well as retaining more for longer.

We are also taking action to build on our succession plans and use this information meaningfully to ensure we take early action, where we can, to create a strong pipeline of talented people from both within and outside our business.

## Commitment 1 – To be an employer of choice in our region by fostering a culture of inclusivity, growth and recognition where every team member feels valued

### Our journey to date

We have been committed to be an employer of choice within our region since the inception of WWU. During this period we have taken steps to shape our ambition, priorities and values which has provided colleagues with strategic direction, and understanding of our purpose – clearly setting out who we are, what we do and what’s important to us as a business

**Our ambition, priorities and values**

**Our new ambition**  
Trusted to expertly serve customers and communities with safe, reliable and affordable energy services today, whilst investing wisely to create a sustainable, greener future.

**Our new priorities**

- Demanding SAFETY ALWAYS**  
We never compromise on the safety, wellbeing and health of our colleagues and customers, always raising the bar and improving standards.
- Driving OUTSTANDING SERVICE**  
We strive to exceed customer expectations by offering fair, inclusive, quality services for all, whilst looking after those most in need.
- Delivering VALUE FOR MONEY**  
We always spend and invest money wisely, working smarter to offer affordable, value for money services.
- Doing all we can to provide SUSTAINABLE ENERGY**  
We're future proofing to deliver reliable, greener energy for heat, power and transport, and reducing our environmental impact to achieve net zero targets.
- Designing OUR FUTURE**  
We're building a skilled, resilient, and diverse team to work in partnership with our stakeholders. Together, helping our communities and society thrive.

**Our values**

- We put customers first**  
We build trust by giving excellent 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 outcomes to do better by embracing new ideas and innovative solutions.

**Did you know?**  
The UK has pledged to achieve net zero by 2050. By increasing our focus now, we hope to get ahead of that challenge and bring benefits to our business, customers, and the world even sooner.

**Did you know?**  
Our priorities align with the UN Sustainable Development Goals (SDGs). A shared blueprint for peace and prosperity for people and the planet, now and into the future.

**Did you know?**  
The values that we all know and love continue to be as important to us today as they ever were. And they are what drive us to create a better world for this generation and the next.

Our revised Ambition, Priorities and Values (APV's) were shaped by input from colleagues and stakeholder engagement. Our final set were then tested with colleagues and stakeholders who agreed that our APV's are appropriate. Our colleagues specifically told us that they didn't want our values to change – and that this stability in an ever changing landscape was important to them but that they wanted us to help them understand the bigger picture and help shape our future. Stakeholders suggested we keep things clear with the use of simple language, provide reassurance and to align with the change in people's general priorities and our Critical Friends reminded us to not lose sight of today vs tomorrow.

As a result of this feedback, we acknowledged the impact on colleagues over recent years, due to COVID and our priorities in RIIO-GD2- and rather than radically change our ambition statement and priorities, we chose to evolve them. We realigned our priorities, and whilst the framework remained unchanged we have now expanded the focus of our priorities to reflect new important themes and customer commitments for delivery. We protected our values as colleagues strongly told us not to change our current values or consider introducing any further values.

The creation of colleague networks has allowed groups of likeminded colleagues to have a safe space. The results for us have been significant as shown in the case study below.

The Women's Inclusion Network was launched in 2022. It is a group coordinated by and for colleagues, supported by company resources. The network's primary objective is to improve the inclusion of women within the organisation and to foster a more inclusive and supportive work environment.

### Key Initiatives and Achievements:

1. **Personal Protective Equipment (PPE) for Women:**
  - The network spearheaded the initiative to source PPE specifically designed for women. This addressed a significant gap, as traditional PPE often did not fit women properly, compromising safety and comfort.
2. **Personal Safety Alarms for Lone Workers:**
  - The Women's Inclusion Network was instrumental in pioneering the use of personal safety alarms for colleagues who work alone. This initiative aimed to enhance the personal safety and security of lone workers, particularly women.
3. **Raising Awareness of Menopause:**
  - Recently, the network has focused on raising awareness about menopause in the workplace. They have developed guidance and policies to support and normalise discussions on this topic, helping to create a more understanding and supportive work environment for women experiencing menopause.

### Impact and Future Goals:

- **Community and Engagement:**
  - The network has successfully created an active community within WWU. This community collectively engages in efforts to improve the inclusion of women, providing a platform for colleagues to share their experiences, support each other, and advocate for necessary changes.
- **Momentum for Other Inclusion Groups:**
  - The success of the Women's Inclusion Network has set a precedent and created momentum for the establishment of other inclusion groups within the organisation such as our Accessibility Network. This indicates a broader commitment to diversity and inclusion, recognising the value of varied perspectives and experiences.

### Core Values:

- The Women's Inclusion Network embodies the core values of Wales & West Utilities, focusing on creating an inclusive and supportive work environment. The network's efforts align with the company's broader goals of equity, diversity and inclusion, contributing to the overall success and well-being of the workforce.

## Our future plans

Our [research](#) shows that a culture of inclusivity and growth is directly linked to colleague satisfaction and high performing teams – enhancing the delivery and service for our customers. Studies have consistently shown that engaged colleagues, who feel valued and included, are more likely to demonstrate discretionary effort, empathy, and consistent performance. These behaviours lead to better customer satisfaction, productivity, agility, and overall business performance.

We commit to engage with our colleagues and Trade Union to review that our APV's remain fit for purpose and continue to be relatable, alongside our new business commitments. To successfully embed these across our business our people practices will continue to be centred around our values, in conjunction with our EDI and wellbeing action plans.

Earlier in the strategy we cited the importance of attracting, recruiting and retaining talented, dedicated individuals. Being an employer of choice and creating a culture of inclusivity where all colleagues feel valued is intrinsically linked to this.

To remain an employer of choice, and create a positive culture we will:

- Ensure we have effective and robust communication channels which are accessible and inclusive for all colleagues
- Have effective and competitive recognition and reward programmes to ensure colleagues feel that they are fairly remunerated and valued
- Ensure our benefits are competitive in the market and allow colleagues to manage their benefits to best suit their own personal circumstances based on their needs
- Provide clear career ladders so that colleagues understand how they can progress and what avenues are available to them by providing accessible training and development programmes
- Equip our managers and leaders to have the skills to effectively lead and manage their teams by ensuring we have effective leadership and management programmes based on values, inclusivity and creating psychological safety
- Expand our employee resource groups and continue to champion and support our existing colleague networks
- Regularly engage and seek feedback from colleagues and have an appropriate independent measurement in place to allow us to share best practice and make improvements where needed.

We understand that colleague views and expectations will change throughout RIIO-GD3. To support this price control delivery, we have a suite of strategies and action plans to ensure we deliver in line with our plans and feedback received.

### [Commitment 2 – Attract and retain diverse and talented people who better reflect the communities we serve](#)

Our strategy has already cited the benefits that we know creating a diverse, equitable and inclusive workforce will bring and the strategy and plan we have in place to become more diverse over the coming years.

Attracting a more diverse range of people is essential for us to deliver our commitments, and also transition to a net zero future. Our sector skills council has carried out [research](#) which shows that c.300,000 new people will be required across the energy sector in the coming years. We play a vital part in this, and need to ensure we attract and retain talented, dedicated individuals into our business to be able to effectively deliver for our customers.

## What we've done to date

We've overhauled our attraction and recruitment processes to ensure they are inclusive and cater for a wide range of individuals, and appeal to all people across our network. By removing qualifications for entry into our apprenticeship programmes, simplifying the stages of the application process, and ensuring the language we use in our adverts is inclusive and gender neutral – we have made good strides, as shown below:

- Became a disability confident and committed employer
- We offer various alternative ways for applicants to apply for roles i.e. online, over the phone, post etc
- Informing applicants of flexible working practices that may be available or special requirements during the application and interview process
- We have seen a 47.1% increase in external applications across all of our roles in comparison to 2023

For the last two years, we have engaged with colleagues, inclusion specialists and our stakeholders to understand how we should shape our recruitment and attraction strategy. Feedback was clear that:

- Jobs should continue to be awarded to the best candidate and processes should be non-discriminatory and unbiased
- Diversity goes beyond gender and disability, and we should take into consideration a broad range of demographics including race, neurodiversity and sexual orientation
- Leadership and tone from the top is critical, and our leadership and management programmes are central in setting the tone and driving sustained cultural change based on inclusivity through robust people processes

To support key commitment 2, from 2026 – 2031 we will:

	How we'll achieve it
Following our estimation 500 jobs will be advertised across our region, including 100 new apprenticeships	<ul style="list-style-type: none"> <li>- Create technical apprenticeship programmes</li> <li>- Utilities new apprenticeships e.g. – degree apprenticeships</li> <li>- New graduate programmes in engineering and support based departments</li> <li>- Invest in new and emerging skill requirements e.g. – data and digitalisation</li> </ul>
Develop and launch attraction and outreach campaigns highlighting the full range of careers in the energy sector	<ul style="list-style-type: none"> <li>- Work with educational institutions, government, job centres, professional bodies and charities to develop relationships to raise awareness of the range of careers within the sector</li> </ul>
Partner with agencies, local recruitment and educational institutions to promote STEM education and review our apprenticeship and graduate programmes	<ul style="list-style-type: none"> <li>- Work with schools, colleges and further education institutions to develop courses including year in industry and placement-based curriculums for students to work in industry</li> </ul>
Offer a range of high-quality training programmes, apprenticeships, graduate placements ensuring a variety of routes to enter the business	<ul style="list-style-type: none"> <li>- Ensure we utilise the most up to date apprenticeship and funding mechanisms and frameworks</li> <li>- Work with our sector skills council, professional bodies and training providers to ensure training is fit for purpose and high quality</li> <li>- Carry out succession planning with the business to ensure we effectively plan for future skill requirements</li> </ul>
Target areas outside of traditional STEM careers (e.g. cyber, digital, data, customer, finance, legal) to ensure resilience in all business areas	<ul style="list-style-type: none"> <li>- Carry out succession planning with the business to ensure we effectively plan for future and current skills requirements</li> <li>- Work with relevant professional bodies and institutions to design and promote careers in the energy sector</li> </ul>
Introduce career pathways to help demonstrate progression and career paths	<ul style="list-style-type: none"> <li>- Develop and communicate clear career progression pathways where appropriate within the business</li> </ul>



The importance of retention is emphasised across different stakeholder groups, indicating a broad consensus on the need to focus on retaining existing talent as a critical aspect of workforce management. Industry representatives have highlighted the need to include a retention strategy, reflecting the recognition that while attracting new entrants is important, retaining existing talent is equally crucial. Our retention strategy details our approach – a high-level extract of our deliverables are to:

- Ensure that compensation packages are competitive within the industry and local markets to attract and retain top talent and offer performance-based bonuses to reward colleagues for their over and above contributions.
- Offer continuous learning opportunities, including workshops, online courses, and certifications to help colleagues grow their skills and create clear career progression paths and opportunities for advancement within the company to motivate colleagues.
- Encourage a culture that respects personal time and promotes work-life integration, ensuring colleagues feel valued and supported.
- Implement regular performance reviews and feedback sessions to help colleagues understand their progress and areas for improvement.
- Enhance our offerings to recognise and reward colleague achievements and milestones, fostering a sense of accomplishment and motivation.
- Encourage and support colleague involvement in community service and volunteer activities.

### Commitment 3 – invest in improving our colleagues knowledge and skills so we can deliver a Net Zero ready network

Our commitment to training has been consistent since the inception of WWU in 2005 with our approach centred on ensuring all colleagues have the skills, confidence and competence to carry out their roles safely and competently. Our approach to training differs depending on whether they are technical, industrial or support functions.

**Operational operatives and craftspeople:** we train our operational colleagues with a blend of inhouse training and training provided by external specialist providers. In 2021 we jointly designed a new operational competency framework, based on career ladders. This approach allows colleagues full transparency over how they can progress within their specialism, with clarity on what qualifications and experience is required at different levels within the organisation. This allows our approach to training to be managed via an Essential Competency Matrix approach which is developed collaboratively with training, health and safety and engineering professionals. This includes refresher training, which is carried out proportionately based on the qualification and work type.

**Operational managers and technical specialists:** we train our operational managers and technical specialists similarly to operatives and craftspeople. Following consultation with Trade Unions in 2021, the competency framework approach was agreed to be the most transparent providing these two groups with visibility of the qualifications required, alongside clear career progression depending on their level of competence. Essential Competency Matrices have been developed in the same way as for operatives and craftspeople, albeit with additional requirements regarding ensuring all managers are trained in appropriate engineering management practices.

**Business support:** all colleagues are provided with the training to be able to carry out their role competently including behavioural and technical attributes. All colleagues are provided with clear objectives and goals, supporting any personal growth and development opportunities.

Alongside this, we provide our managers and leaders with bespoke management and leadership training.

**Our Management Development Programme** is an inhouse programme which gives managers the understanding, tools and resources to manage people effectively. The programme provides an overview of all people related practices, finance, health and safety and customer overview to give them the understanding, tools and resources to effectively manage their teams in line with our ambition, priorities and values. Managers are also provided with a managers guide to help them navigate different areas of the business when starting in post – ensuring consistency of approach across the business.

**Our Inspire Leadership Programme** is a modular based programme delivered both internally and with external experts and is delivered to all leaders within our business. Centred around psychological safety it provides our leaders with an understanding of the attributes of effective leadership, how to develop high performing teams, managing change effectively and their own personal development.

**Our Aspire Leadership Programme** is our development programme for our next leaders and managers. This development programme supports those in the business who aspire to become managers or leaders, by providing them with tailored development plans and access to training and experiences to help support their journey supported by trained coaches or mentors.

### **Our future approach**

Colleagues and stakeholders have all relayed the importance of effective, robust training throughout their careers, with this underpinning colleague satisfaction and retention.

The approach outlined above will continue into 2026 through to 2031. We will seek feedback and measure the effectiveness of our training and development programmes to ensure they remain fit for purpose and effective, ensuring workforce resilience into the future.

To support key commitment 3, from 2026 – 2031 we will:

	How we'll achieve it
Ensure continuous improvement of our training programmes	<ul style="list-style-type: none"> <li>- Conduct regular needs assessments to identify the current skills gaps</li> <li>- Ensure ongoing feedback mechanisms such as post-training surveys and feedback sessions</li> <li>- Regularly analyse training data to identify trends, areas for improvement, and successful elements.</li> <li>- Customise training content to meet the specific needs of different job roles, departments, and skill levels.</li> </ul>
Develop multi-skilled colleagues	<ul style="list-style-type: none"> <li>- Offer cross-training opportunities</li> <li>- Recognise and reward colleagues who actively participate in training and development activities</li> <li>- Encourage colleagues to work on cross-functional projects that require collaboration and the application of diverse skills.</li> </ul>
Identify skill gaps	<ul style="list-style-type: none"> <li>- Have managers evaluate the skills and competencies of their team members to provide insight into skill requirements</li> <li>- Stay informed about market trends and emerging skills in the industry.</li> <li>- Identify skills that will be critical for upcoming projects, technological advancements, or market changes.</li> <li>- Effective succession planning which is used to inform resource plans, and supports colleagues aspirations</li> </ul>
Ensure training is fully accessible	<ul style="list-style-type: none"> <li>- Use adaptive learning technologies that adjust the training content and pace based on the learner's performance and progress.</li> <li>- Ensure managers are supportive of colleagues' development efforts and provide the necessary resources and encouragement.</li> </ul>
Ensure training is carried out efficiently	<ul style="list-style-type: none"> <li>- Continuous reviews and utilise new technologies</li> <li>- Implement peer review processes where trainers can observe each other's sessions and provide constructive feedback</li> <li>- Invest in continuous professional development for trainers to ensure they are equipped with the latest skills, knowledge, and training techniques</li> </ul>
Ensure we stay abreast of changing skill requirements	<ul style="list-style-type: none"> <li>- Adding emerging skills e.g. digitisation, cyber to our matrices ensuring</li> <li>- Ensuring all colleagues are equipped to deal with emerging trends e.g. the use of AI</li> <li>- Ensuring new engineering skill requirements are appropriately scoped and developed to respond to any changing needs e.g. use of hydrogen</li> </ul>

## 2.7 Work Resilience Metrics

Our research provides evidence supporting the need for metrics to understand the effectiveness of recruitment, retention, and promotion of underrepresented groups and the need for metrics to monitor and improve these processes.

We have collaboratively developed a common set of metrics through the National Skills Academy for Gas working group. Workforce resilience is evaluated based on three primary areas: Attraction, Skills Development, and Retention. Twelve metrics have been identified to measure these aspects comprehensively, participating companies will receive comparative reports, and an industry report will be generated. Whilst we already collate data for many of these, we have begun reporting for our new starters in the areas where we don't currently hold the data and are exploring ways of collating the data for our existing colleagues which will then be held in our HR system.

See below draft metrics which we will report on annually;

No:	Metric	Data collection requirements
1.1	% of workforce that are male	<ul style="list-style-type: none"> <li>Job role/position</li> <li>Gender</li> </ul>
1.2	% of the workforce from an ethnic minority background	<ul style="list-style-type: none"> <li>Job role/position</li> <li>Ethnic group</li> </ul>
1.3	% of the workforce that are non-UK citizens	<ul style="list-style-type: none"> <li>Job role/position</li> <li>Nationality or flag for non-UK national work visa</li> </ul>
1.4	% of the workforce aged 16-24	<ul style="list-style-type: none"> <li>Job role/position</li> <li>Age (by year or age band)</li> </ul>
1.5	% of the workforce aged 60+	<ul style="list-style-type: none"> <li>Job role/position</li> <li>Age (by year or age band)</li> </ul>

No:	Metric	Data collection requirements
1.6	Average number of applicants per vacancy	<ul style="list-style-type: none"> <li>Total number of vacancies advertised over the past year</li> <li>Total number of applications received</li> </ul>
1.7	Average time to fill a vacancy (days)	<ul style="list-style-type: none"> <li>Total number of vacancies advertised over the past year</li> <li>Total number of days these vacancies have been "live" before being accepted by the successful applicant</li> </ul>
1.8	% of vacancies filled via: <ul style="list-style-type: none"> <li>External labour market</li> <li>Internal promotion/ progression</li> </ul>	<ul style="list-style-type: none"> <li>Number of vacancies advertised filled for each job role/position over the past year</li> <li>Number of these filled by (i) an existing employee and (ii) by a new recruit</li> </ul>
1.9	% of the workforce that are on a structured training programme	<ul style="list-style-type: none"> <li>Average number of employees in each job role/position over the past year</li> <li>Total number of these that were on a structured training programme (e.g. Apprentices, Grad programmes, or technical trainees)</li> </ul>

No:	Metric	Data collection requirements
3.1	Annual voluntary staff turnover rates	<ul style="list-style-type: none"> <li>Average number of employees in each job role/position over the past year</li> <li>The total number of voluntary resignations from each job role/position over the past year</li> </ul>
3.2	Average time to fill a vacancy (days)	<ul style="list-style-type: none"> <li>Total number of voluntary leavers from each job role/position over the past year</li> <li>The total number of years' service each leaver had when they left</li> </ul>
3.3	Reason for leaving	<ul style="list-style-type: none"> <li>Proportion of all leavers that left either voluntarily or involuntarily</li> <li>Data collected via exit interviews</li> </ul>

## 3. Supply Chain Resilience Strategy

The WWU Supply Chain is crucial for us to meet its regulatory outputs, business objectives and legislative compliance whilst maximising value for money for the gas consumer.

We annually purchase goods, works and services to the value of approximately £230M.

There are significant opportunities to maximise efficiencies and cost reduction by systematically managing these goods, works and services. Conversely, inappropriate or ill-advised spending could result in WWU investing in assets of low and marginal value exposing WWU to significant long-term risk.

Procurement management of our Supply Chain is about making informed decisions. The process covers the whole life cycle from identification of needs, through to the end of life of the asset or service. It involves options appraisal and critical “make or buy” (i.e. whether or not to provide services in-house) decisions.

This strategy outlines the approach to be taken in order to obtain maximum value for money from everything we buy.

Adherence to the EU Procurement Regulations are a Licence Condition. The remedies available to the courts should these Regulations be breached by WWU are contracts ruled ineffective through to punitive and dissuasive financial penalties. The Utilities Contract Regulations are due to be replaced in Q1 2025, with the new Procurement Act 2023. The Act is aimed at simplifying the Public Sector regulations and pulling the Public Sector and Utilities together under a single legislative framework.

Our Supply Chain Resilience Strategy is to provide a supply chain that is robust, resilient and provides best possible value in supporting the business to deliver its regulatory outputs.

This is a continuation of the strategy in place throughout GD1 and GD2, which has been proven to be robust and resilient through the recent challenges of the Covid-19 pandemic (no major supply chain issues encountered) and the Ukraine conflict (managed supply chain issues).

### 3.1 GD3 Supply Chain Resilience Strategy

Our Supply Chain Resilience Strategy is to provide a supply chain that is robust, resilient and provides best possible value in supporting the business to deliver its regulatory outputs.

This is a continuation of the strategy in place throughout GD1 and GD2, that has been proven to be robust and resilient through the recent challenges of the Covid-19 pandemic (no major supply chain issues encountered) and the Ukraine conflict (managed supply chain issues).

### 3.2 Challenges faced by the Supply Chain

The challenges faced by the Supply Chain have evolved and moved on in a post-pandemic world.

Whilst the Supply Chains supported the UK gas industry well, it should be noted that there were no significant disruptions to UK gas distribution networks during the pandemic despite the global uncertainty.

The Pandemic taught us that Supply Chains are complex and long, often the supplier you are dealing with, requires the support of hundreds of entities, sometimes around the globe. This was illustrated to WWU when Ford light commercial vehicles, with manufacturing lines in Turkey, were put on stop by the supplier, and the order book closed for 14 months due to two key issues.

1. **Wiring looms.** The Ukraine was the major supplier of wiring looms for Ford in Europe. When the Ukraine conflict started, these were immediately in short supply, effectively halting production in Turkey.
2. **Global Chip Shortages (2020-2023).** Exacerbated by the Pandemic, the global shortages of processor chips hit all elements of supply chains. Again for Ford, in light commercial vehicles, there were enough chips to support base vehicles being constructed, but not enough for additional features, like reversing cameras and early warning devices fitted for safety.

To overcome these issues, and other similar and related issues, WWU had to adapt. Some features were not built, delays were experienced, life cycles of the existing fleet were extended, fleet assets were rotated to share the mileage, vans were hired, alternate supply was sought, and business processes and exemptions were made. The 'ripple' effect was significant and disruptive. However, through the adoption of the aforementioned measures, the WWU fleet was kept mobile and as efficient as possible.

Compounding these issues, are the uncertainty that Government Policy (or lack thereof) and OFGEMs role have played in contributing to uncertainty for supply chains to the Gas Sector. The 30-year Iron Main Replacement programme entering its final 6 years and headlines doubting the future of gas has not helped when trying to convince contractors to stay in the industry or encouraged new operators to join an industry that has doubt over its future. GD2 witnessed the withdrawal of several major players from the UK gas distribution market.

The impending closure of the Iron Mains programme, which has been served by a supply chain that has taken 25 years to mature cannot be understated. Suppliers of PE Pipe and Fittings are an obvious example, but less well-known are the tooling, equipment and hire companies that have been key to all the GDNs reaching their Regulatory targets. Winding down these businesses or diversifying away from the Gas Industry are the two clear options for suppliers.

Barriers to entry remain high for suppliers. The British Gas Standard, ISO accreditations, and other Quality measures mean that entering the supplier market is not easy or cheap. The barriers are there for a reason, and Safety is the principal reason. As the market contracts, and Governments and Regulatory bodies make public statements on the future of gas, suppliers are considering if the costly quality standards should be maintained or not – and in the cases where monopolies occur – why bother if you are the only option in the market?

Labour scarcity remains a risk, where competition for skills and experience is fierce. WWU has continued to face threats from Hinkley Points expansion and inflated wages this has created, but also the rollout of rural fibre, expanding and upgrading the water infrastructure, green energy projects and the reinforcement of the electricity networks, has meant that labour across the country and acutely in places like Bridgwater and Bristol remains a risk.

Rates of pay, must be competitive, and examples where qualified workshop technicians can earn more in the fast-food industry, or security sector means that there are occasions where individuals choose lower-skilled, less stressful occupations for more money outside the gas industry. For example, we have recently had skilled operatives from our workshops in Bristol leave for jobs in these sectors.

Expectations on the modern Supply Chain have increased as well. It is not enough to find a source of supply and contract. For suppliers to be 'robust' they must demonstrate:

1. Financial security
2. Do the Directors have any (including pending) Convictions?
3. Do they pay the Real Living Wage?
4. Do they have a Modern Slavery Statement, and do they have measures in place to identify issues?
5. Are they compliant with Anti-Bribery and Corruption legislation?
6. What Quality processes do they observe?
7. Are they insured? Are they insured for all the activities they provide?
8. Are they on the Government blacklist?
9. What is their Health and Safety performance? Accident records, what did they do about accidents after any investigations?
10. What Business Continuity do they have in place in the case of emergencies?
11. What liabilities are in place?
12. Commercially acceptable terms

The above is not an exhaustive list, but it demonstrates the expectations on us and our supporting supply chain, not just at the point of contracting, but throughout the life of the commercial agreement.

### 3.3 Further examples of GD2

#### Operational Delivery Model

In preparation for GD2 the whole of the Operational Delivery model was tendered and followed a long period of pre-market engagement and information sharing. This was beneficial as it set realistic expectations in the business for the likely response to the upcoming tender, but also helped shape the scope and commercials to attract maximum interest. WWU knew, pre-tender that the market:

1. Was not prepared to accept any risk (or benefit) sharing. Terms that allowed the creation of Alliances and shared management models were rejected by the market. 'Do the work, minimise commercial exposure and get paid' was the mantra.
2. Some elements (Emergency Response) of the scope did not attract any bidders and some attracted very little interest (Network Services and Scheduled Maintenance).
3. Geographically the market response varied. Major conurbations attracted interest, but more remote and rural areas had much less interest
4. Some acute Labour shortages in places like Bridgwater and Bristol due to other, often higher-paying, industries. Bridgwater is influenced by Hinkley Point.

This knowledge was crucial and allowed WWU to target the tender event in the right areas and permitted management to consider alternatives, where the market was probably not going to provide a viable offer.

#### Odorant

Odorant is a specific provision in the Gas Act and has very precise specifications for manufacture, storage, transport and injection into the gas network.

There is a single UK supplier.

In an attempt to break this monopoly, WWU conducted pre-market research and identified another provider in Europe. Contact was made and some initial indications were positive about a possible alternate supply.



Before the tender was launched, confirmation was sought of a bid, only for the European supplier to share that they had recently signed an exclusive distribution agreement with the single UK supplier. Whilst WWU is bound by Regulations that promote good practices and provides suppliers with some assurances of a 'fair go', the same cannot be said of the suppliers themselves, who exploit commercial agreements to protect their businesses and where possible reduce competition.

### Sharing Resources

An example of encouraging supplier partnerships and positioning WWU as a client of choice, has been the concessions made to attract and retain contractors. The types of concession made are:

1. Provision of IT hardware and licences.
2. Supply of light commercial vehicles
3. Supply of tools and maintenance
4. Provision of PPE
5. Free issue of PE Pipe and Fittings
6. Provision of Training

From the contractors' point of view, this removes barriers and upfront costs and from WWUs point of view it ensures that the systems, tools, processes and protective equipment are of the right quality and consistent across the network. E.g. we know that the contractors' tools are properly maintained – because we are doing it. WWU also exercises its aggregated scale to achieve best value in these areas, whereas a smaller supplier would not be able to offer the same value.

### 3.4 Strategic initiatives for GD3 to deliver the Supply Chain Resilience Strategy

The initiatives that we will employ are:

1. **Robust and thorough pre-qualification & tendering processes.** To ensure suppliers are rigorously checked against expected industry criteria (such as Modern Slavery, Anti-Bribery and Corruption, Living Wage etc) which has the benefits of ensuring suppliers contracted to WWU are fit and proper.
2. **Forward plans and advanced ordering** will be used where lead times are long and supply chains complex. E.g. Light Commercial Vehicles are ordered 18 months in advance, Mains Replacement lay programmes are shared annually and forecast updated monthly to aid PE Pipe and Fitting suppliers manufacturing plans.
3. **Pre-Market Engagement, Supplier Days and Information Sharing.** We will continue to use pre-market engagement to encourage supplier participation and provide confidence in the supply chain that WWU are a responsible buyer. Wider engagement via Supplier Days will enhance and share knowledge about the latest Health, Safety and Environment initiatives and we will share sector information where relevant to enhance the suppliers knowledge and capabilities.
4. **Collaborations with the Gas Distribution and Utilities Sectors.** We will use our relationships in the sectors to share knowledge, collaborate on specifications and run shared tender events for the benefit of the UK gas consumer. For example, by co-running shared tender events, we will continue to maximise leverage and volume, while providing the supply chain with more attractive commercial opportunities. This should encourage supplier participation and in turn keep suppliers engaged in the UK Gas Industry for the medium term. Collaboration events don't only provide suppliers with greater opportunity, it reduces the cost of participation/sales for the same suppliers.

5. **Maximise Competition.** The new Procurement Act provides opportunities to maximise competition whilst observing best practice principals like Value for Money, Maximising Public Benefit, Integrity, Equal Treatment, Managing Conflict of Interest, having regards for small and medium enterprises and Transparency. E.g. The new Act's noticing regime to the cabinet office will ensure transparency, the new Act requires early development and sharing of scope documents during tenders and the Act makes provision for the consideration to the 'public good' of a procurement event. The Act also requires that remaining technological agnostic and avoiding 'brand specifying' is covered by the Principles.
6. **Flexibility.** WWU will consider alternative specifications, supply partners (small, medium or large), risk apportionment, contracting mechanisms, sourcing strategies and resource sharing to establish the best value for the UK Gas consumer. This might include assuming more risk internally, sharing depot space, use of single and multi-supplier frameworks, free issuing materials, collecting materials to avoid delivery costs and delays or sharing forward plans to ensure suppliers are 'part of the solution' and not just a stakeholder in a wider delivery model.
7. **Improve Commerciality.** To ensure value is delivered from all the commercial arrangements with the WWU supply chain WWU will put in place contracts that measure effectiveness and efficiency, provide contract managers with the tools to performance manage the supply chain and use contractual performance as a key measure for future commercial engagements.

### 3.5 Maintaining Maximum Competitive Tension

A key lever in identifying fit for purpose solutions, from high quality supply chain partners that deliver the maximum value for money for the gas consumer remains market testing. Market testing via quotes, formal tenders, best and final offers, negotiations or combinations of. In contrast to GD2 we have found that the suppliers appetite for risk (and in particular from American owned companies) is vastly diminished. This has made risk pricing, risk allocation, contract schedules, incentives and the risk WWU must assume all items for negotiation. We have, and will continue to use risk workshops, pricing and WWUs own risk position as a means to negotiate lowest risk/best value for the gas consumer.

Another key area for WWU that has arisen since 2021 is the long lead times that are now in place for key components (e.g. Governors) to Light Commercial Vehicles (as mentioned above) to Steel Pipe (especially for short production runs). WWU has had to adopt longer planning horizons, greater transparency, earlier ordering and combining volumes to avoid/mitigate these long lead times. The Supply Chain has responded positively to these changes and in turn has made efforts to forewarn of shortages or delays.

Many of the suppliers in the WWU supply chain are long standing relationships. There is a balance to be struck here between value creation/innovation and over reliance/familiarity. The balance can be maintained via effective contract management, acute commercial management and periodic market testing to ensure standards are being maintained.

We envisage adopting AI solutions for spend analysis, market trends, decision support and other functions during GD3. These will be assessed on merit and deployed where there is a benefit for the gas consumer and WWU. The technology is developing rapidly in other areas and already some niche providers are identifying where AI can add value, reduce manual work and improve decision making. One such area is scenario planning where a decision in one area may impact a decision in another.

WWU operate a small team of professionally qualified Procurement staff, partnered with a best-in-class logistics provider and use the fundamentals of market testing, the principles of the Procurement Act and competitive tension to ensure WWU has a robust, effective and best value Supply Chain for the UK Gas Consumer.

## 4. Conclusion

This strategy has set out our comprehensive approach to addressing the evolving challenges of our industry while building a sustainable and future-ready business. By prioritising adaptability, inclusivity, and sustainability, this strategy aligns our workforce and supply chain efforts with our broader mission of delivering exceptional service and supporting the transition to Net Zero.

Our focus on workforce resilience emphasises creating a culture of inclusivity, growth, and well-being, ensuring that our colleagues feel valued and equipped to meet future demands. This ensures that we remain a leading employer in our region, capable of meeting the evolving needs of our business and our people. By fostering an inclusive and supportive work environment, investing in the development of our colleagues, and prioritising their health and wellbeing, we are committed to building a resilient workforce that can adapt to future challenges.

Similarly, our supply chain strategy highlights the importance of robustness, collaboration, and innovation to maintain service quality and mitigate risks in an increasingly dynamic environment. We will continue to engage our supply chain whilst scanning for risks and putting in place mitigating actions where possible. For risks that are outside our control we will raise concerns with appropriate bodies, a lack of government or regulatory action could see large risks realised.

We recognise the importance of continuous engagement with our colleagues, Trade Unions, supply chain, and stakeholders to shape our approach and ensure it remains relevant and effective. Our strategies are not just about meeting the demands of today but also about preparing for the future, ensuring that we can continue to deliver exceptional service to our customers while maintaining high levels of colleague satisfaction and retention.

Through clear commitments, including fostering an inclusive culture, investing in skills development, and building resilient supply chains, we aim to position ourselves as a leader in the energy sector. Continuous engagement with stakeholders, adaptation to emerging trends, and adherence to best practices will ensure that this strategy remains responsive and effective.

Integration of workforce and supply chain strategies drives operational excellence, enabling us to deliver lasting value to our colleagues, stakeholders, and the communities we serve. Together, these interconnected strategies lay a strong foundation for a resilient and sustainable future.