



Stakeholder Engagement Incentive Submission

2016/17



PART ONE

STAKEHOLDER ENGAGEMENT INCENTIVE SUBMISSION

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INTRODUCTION

Putting people at the heart of everything we do

Wales & West Utilities is a values-driven company. Safety is a key priority for us and people are at the heart of everything we do: that means our colleagues, customers and a variety of stakeholders.

We want all who rely on us to be certain that we can be trusted to do our best for them. We've therefore focused our attention during 2016/17 on making sure that we have the resources and programmes in place to support real and meaningful engagement with all stakeholders. We want people to know that what they tell us can make a positive difference.

We've revised our stakeholder engagement strategy so that our Business Operating Committee, which I chair and which comprises our directors, plays a key role in reviewing and agreeing the business improvements and outputs we put in place as a direct result of feedback from our stakeholders. We've also taken steps to restructure and strengthen our engagement activities. Our stakeholder relations specialists have moved into our new People & Engagement Directorate. They are benefiting from additional support and resources, as well as from a stronger and more unified focus on key communication activities.

We continue to invest time to embed stakeholder engagement as a key consideration for everyone in our business. This year we held a stakeholder engagement-focused workshop for 32 senior managers and held two stakeholder-focused quarterly Colleague Roadshows for 110 colleagues, which I led, on this vital activity, to discuss how we can improve engagement with our stakeholders.

Our roadshow presentation and discussions were filmed for dissemination and further discussion at team meetings across the wider business, to help further embed our engagement culture.

We have increased external engagement, too, running four locational workshops, a Vulnerable Customers Forum and a Future Bill Payers workshop, engaging with 132 stakeholders. Our revitalised engagement strategy is already delivering great results – 212 outputs and benefits in 2016/17 for a total investment of more than £1.2 million at a cost of 17p for each of the 7.5m customers we serve across Wales and south west England.

Our strong focus on engagement helps us gain opinions and information that helps shape



our business plans. We recently devised the first UK Alternative Gas Workshop, attracting 64 delegates from within the industry, as well as others keen to know more about the potential of connecting renewable gas supplies to our network. This was as a direct result of stakeholder feedback, and most attendees were eager to share ideas with us on how the gas network can support an affordable, low-carbon energy future.

Working with our fuel poor partner, Warm Wales, a community interest company which operates in Wales and south west England, this year we initiated the first multi-utility gas, electricity and water conference on vulnerability; the 'Stronger Together' conference was attended by 104 delegates. It examined how we can adopt a co-operative approach to supporting individuals and families in vulnerable situations. The results have been very positive and are helping us to develop more collaborative partnerships and progress our social obligations strategy – an area that stakeholders have told us they would really like us to focus on.

Listening to what people tell us and making it a priority is having a positive effect on our company and, during the year, led to considerable external recognition of our improved business practices. Our latest Institute of Customer Service (ICS) scores, measured against all our service criteria – and not just the most successful service-delivery areas – have again placed us ahead of highly respected retail

brands such as Amazon and John Lewis and, according to the ICS, among the top-rated companies in the UK. This is evidence of our clear customer-focused culture, where our colleagues understand the expectation of our stakeholders and customers and deliver to those expectations and led to us jointly hosting an ICS customer service event. We are also the first gas network to achieve the British Standard for Inclusive Service Provision (18477) and, in June 2016, were awarded Business in the Community's Responsible Large Business of the Year award for our activities in Wales. These achievements continue to boost colleague morale, and in 2016/17 we changed our approach to measuring colleague engagement by working with Investors in People to review our practices and benchmark against this internationally recognised standard.

Overall it's been a very good year, but we never rest on our laurels. As customers and stakeholders continue to seek improving services, we are working to exceed their expectations. Our people-focused culture and values, coupled with successful and effective stakeholder engagement, puts us in a strong position to meet this perennial challenge.

Graham Edwards
Chief Executive

“ Our revitalised engagement strategy is already delivering great results – 212 outputs and benefits in 2016/17 for a total investment of more than £1.2 million at a cost of 17p for each of the 7.5m customers we serve across Wales and south west England ”

OUR STRATEGY

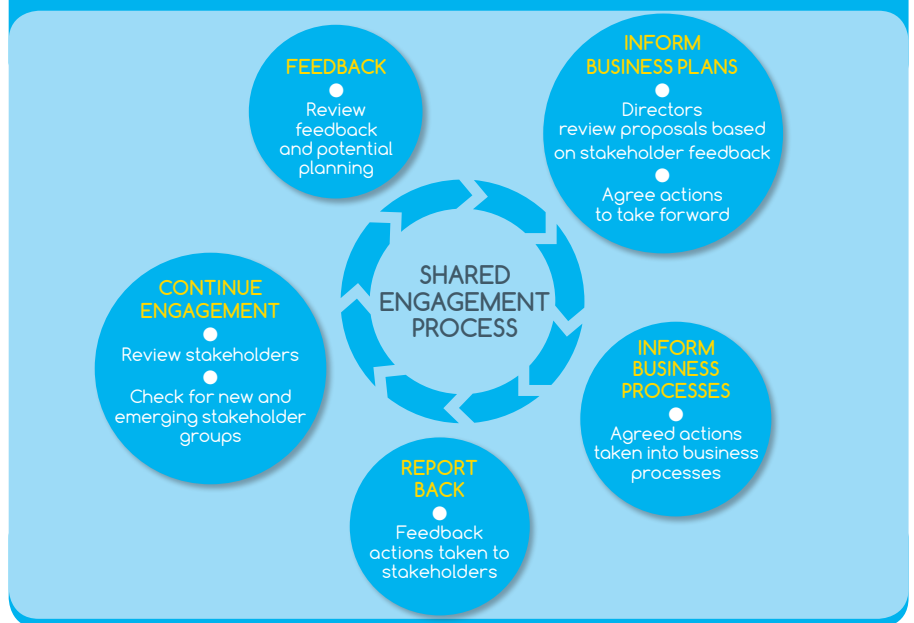
Our engagement strategy is guided by four key principles: transparency, inclusivity, materiality and responsiveness. We focus engagement on a very wide range of stakeholders, driven by our directors but 'owned' and delivered by colleagues at all levels throughout our business. This forms a virtuous circle. Stakeholders' feedback is always carefully considered, with our consequent proposals and actions subject to stakeholder scrutiny and refinement to ensure agreement and ongoing communication. This process is fundamental to engaging with and responding to the people and organisations who rely on us. Their feedback helps us to achieve better business performance and deliver improved customer service – for mutual benefit.

Stakeholder identification and segmentation

Engaging with a broad and inclusive range of stakeholder groups allows us to act on feedback which represents the opinions and wishes of people in the localities and sectors we serve. To help us access the views of hard to reach groups of people, we work with partners, such as Care & Repair, an organisation that exists to help older people by repairing, adapting and maintaining their homes, and Warm Wales our fuel poor partner. We carry out an in-depth review of our database of more than 2,000 stakeholders every year in pursuit of thoroughness and maximum inclusivity, and regularly update it throughout the year when new stakeholders emerge.

Our approach to engagement is geared to making sure that stakeholders can influence our business plans and see the benefits of close

STAKEHOLDER CYCLE



and regular communication. We monitor and measure the results of our engagement and our regulatory engagement report is subject to an independent high-level review to highlight areas for improvement, by stakeholder specialists AccountAbility. As a result of stakeholder feedback on our activities, we have identified and carried out, or have underway, 212 improvement actions, including a revised carbon monoxide (CO) strategy. We want to be sure that we are achieving the most robust and rigorous performance level, so we use the Stakeholder Engagement Standard (AA1000) as a guiding framework.

Our stakeholders are individuals, interest groups and other organisations in the communities we serve. These include representatives of different age groups, disability organisations and others. Our engagement is therefore tailored for relevance to each group, making sure that

the methods and the language we use are appropriate. We also use feedback to determine the effectiveness of our engagement channels and programmes. We understand how important it is to make engagement easily accessible for stakeholders, so we ran a series of independently facilitated workshops across the area we serve, from Llandudno to Plymouth, to make sure people get the opportunity to engage with us in their own communities.

Stakeholder focus is a key theme of our quarterly colleague roadshows and we've also held stakeholder workshops for our senior managers. We held an independently facilitated workshop to identify the stakeholders that are important for each part of our business. This has led to a step-change in our approach. This will remain a strategic focus and be included in our evolving 'inside out' strategy for the future.

TAILORING OUR ENGAGEMENT

EMPOWER/COLLABORATE

We work closely with stakeholders who have a strong interest and understanding of what we do. We want them to see that they are playing key roles and shaping the decisions we make. We create opportunities for dialogue via:

- Critical Friends Panel
- Topic-specific events
- Industry working groups and forums
- Key partnerships

INVOLVE/CONSULT

There are other stakeholders who have a reasonable interest and understanding of what we do, and who can provide us with feedback on what we have done/are thinking of doing in the future. Communication is through:

- Locational workshops
- Surgeries
- Telephone surveys
- Face-to-face consultation

INFORM/CONSULT

We appreciate that there are stakeholders who have limited interest and understanding of what we do, but we must nevertheless keep them up to date with what we are doing in their communities. We reach them via:

- Social media
- Opinion research
- Website
- Mail outs
- Awareness campaigns/events

AMBITION, PRIORITIES AND VALUES

In 2013, as a result of feedback from our annual colleague survey, we refreshed our business plan and introduced our revised ambition, priorities and values, all based on colleagues' input. Our chief executive and director-led workshops and roadshows, for colleagues at all levels, have in the following years strengthened our values-driven culture throughout the business.

We adopted an 'inside out' strategy. By developing an internal culture which puts our people first, recruiting for and rewarding behaviours that exemplify

our values in action, we have embedded a culture that puts people at the heart of everything we do – internally and externally. Listening to and integrating the views and feedback of both our internal and external stakeholders into our business strategy and operations has helped us create a strong stakeholder-centric culture.

We are engaging with a steadily growing number of stakeholders and gaining more and higher quality feedback. We know that we need qualitative and

quantitative comparative information on how we are doing, and so we engage independent specialist consultants to give us an external perspective.

This information, alongside the feedback we receive from stakeholders, is informing how we work and communicate. It has enabled us to gain awards and accreditations that are a consequence of effective engagement and others that provide reassurance to customers and other stakeholders who depend on our company.

OUR AMBITION

To deliver outstanding levels of gas safety, reliability and customer service so that we are trusted and valued by the millions of people we serve every day.

PRIORITIES

Demanding SAFETY ALWAYS

We keep raising the bar on safety, continually looking for ways to improve standards for our customers and colleagues.

Driving OUTSTANDING SERVICE

We work hard to give our customers a reliable service and peace of mind by putting their needs at the core of our business.

Delivering VALUE FOR MONEY

We spend money wisely based on what will give the very best value, every time.

Doing all we can to PROVIDE A RELIABLE GAS SUPPLY & PROMOTE SUSTAINABILITY

We are committed to providing a reliable gas supply for our customers whilst protecting and helping the environment for today and for the future.

Designing

OUR FUTURE

We invest in our people so that we all have the skills, confidence and innovative thinking to build our business long into the future. We want to be a company people aspire to work for.

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 ourselves to do better by embracing new ideas and innovative solutions.

What's new this year

We've taken a more localised approach to engagement. We recognise that different stakeholders in different areas across our network have different priorities and represent different groups. So we've addressed local issues – like vulnerability and fuel poverty in south Wales, and collaboration and the skills agenda in Devon and Cornwall, and this is set to continue.

We are making stakeholder engagement part of the everyday language of our business. We are helping our First Call Operatives (FCOs) – those people at the front line of customer contact – to understand that the customers they deal with every day are their stakeholders. We enhanced our customer service phone app, to help all our FCOs more easily sign up customers in

the most vulnerable situations to the Priority Services Register. This was rolled out through the business with training given to FCOs on how to recognise the signs that could show that a customer might be in a vulnerable situation, including dementia awareness.

EMBEDDING ENGAGEMENT ACROSS OUR BUSINESS

We have tested the robustness of our engagement processes and improved our internal processes for reporting the outputs and business performance enhancements that are directly linked to stakeholder feedback.

A targeted approach has been taken by all departments in our business. For example, our Human Resources team sees the trade unions, with whom they work daily, as among its stakeholders. Similarly, our Streetworks team sees the highways authorities as a principal stakeholder.

We've also engaged with more of our stakeholders by holding four locational workshops at various locations. These will continue, using the information we gain to make sure that we constantly review our strategy and activities to strive for maximum effectiveness. We will continue to hold these workshops at the extremities of our network operating area, in Llandudno in north Wales and Exeter in south west England.

Governance

We've strengthened our stakeholder engagement activity. We moved our team into the People & Engagement Directorate, following feedback from our Critical Friends Panel, who told us that we needed to continue to develop our stakeholder engagement function, due to its strategic importance to the business. As a result we made the decision to consolidate our communication activities and now, as part of our company's core communications group, our engagement team benefits from increased resources, the support of other professionals and the complementary skills that the team members can bring. This has enhanced our management of engagement activity, benefiting the business as well as improving our engagement capability for stakeholders.

Because we have now firmly embedded stakeholder engagement throughout our business, we considered that our Stakeholder

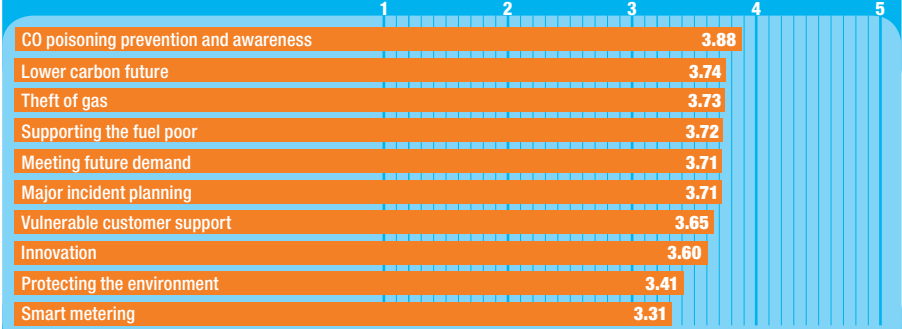
Steering Group (SSG) had fulfilled its function. In its place we have stakeholder-specific and topic-specific groups, such as those focusing on low carbon, social obligations and major incidents. The leaders of each group, all at director level, feed in the results of their engagements to our monthly Business Operating Committee meeting – chaired by our chief executive. These results are considered, as components of our overall performance, and further activities are agreed and assigned for action. These changes were explained and discussed with our colleagues at two of our chief executive-led quarterly colleague roadshows, attended by 110 colleagues. The event was filmed, to allow it to be sent to 113 managers for dissemination to their teams. These changes were also scrutinised by our Critical Friends Panel and our Vulnerable Customers Forum as part of our approach to elicit and embed input and views from these key strategic and informed stakeholders.

HOW WE ENGAGE WITH STAKEHOLDERS

Feedback from our Critical Friends Panel influenced our approach to holding annual locational workshops. There was a perception that we were remote, and we've sought to rectify this. In line with feedback we are continuing to hold topic-specific surgeries and stakeholder group workshops. We also have twice-yearly Critical Friends Panel meetings.

We have pioneered an initiative that is of considerable importance to communities and future stakeholders. Those interested in the role of gas in the future of UK energy supply told us they'd welcome an industry-focused event, so we held our first Alternative Gas Workshop, attended by 64 interested parties from throughout the UK. Following extremely positive feedback from attendees, we are now considering how best to set

STAKEHOLDER PRIORITIES



up a Wales Alternative Gas Panel, as there is slower take up of alternative gas connections to our network in Wales comparative to south west England. At the event, we also received 45 requests to investigate potential new biogas connections to our network. This initiative has therefore proven highly successful in raising wider industry awareness and understanding

of alternative gas connection, as well as benefits to the business in increasing interest in new biogas connections. It has provided us with insight on the levels of understanding and awareness of alternative gas opportunities of a range of stakeholder groups, which helps us to target relevant future communications and engagement.

Our engagement channels and audience reach

Engagement activity	Sample stakeholders	Approach	Reach	Sample actions and improvements
CRITICAL FRIENDS PANEL – EMPOWER/COLLABORATE				
	Vulnerable – Energy Saving Trust, Age Cymru/UK, Warm Wales, Cornwall Housing, CLA Cymru	<ul style="list-style-type: none"> • Policy and Strategy verification • Topic-specific presentations • Detailed discussions • Debate and critical analysis • Exec Q&As 	29	<ul style="list-style-type: none"> • New CO strategy • The COdebreakers • Alternative Gas Workshop
	Business – Devon & Cornwall Busines Council, GMB, Home Builders Federation			
	Future of Energy – Regen South West, Renewable Energy Association, Renewable Energy Action			
	Education – Cardiff University, Royal Welsh College of Music & Drama			
	Industry – Gas Safe Register, National Energy Action			
	Innovation – Cardiff University			
	Customers – Hafod Housing Association			
	Health – National Energy Action			
STAKEHOLDER WORKSHOPS – INVOLVE/CONSULT				
	Parish Councils	<ul style="list-style-type: none"> • Business updates • Short feedback presentations – “You said, we did” • Topic-specific Q&A sessions • Interactive ‘Focus prioritisation’ sessions 	107	<ul style="list-style-type: none"> • Vulnerable Customers Forum • New partnerships with Fire & Rescue Services • Gas mains replacement suite improvements
	Local Authorities			
	Housing Associations			
	Universities			
	Environmental Groups			
	Emergency Services			
	Supply Chain Partners			
TOPIC-SPECIFIC WORKSHOPS – INVOLVE/CONSULT				
Alternative Gas Workshop	Landowners	<ul style="list-style-type: none"> • Detailed discussions • Topic-specific presentations • Round table Q&As • Exec-led Q&As – Together Stronger Conference 	64	40 + attendees contacted us to enquire about connecting to our network
	Developers			
	National Farmers Union			
Vulnerable Customers Forum	Non-Governmental Organisations		12	Signed data-sharing agreements with three utilities – Scottish & Southern Energy, Western Power Distribution & Dŵr Cymru Welsh Water
	Consumer focus groups			
	Industry bodies			
Future Bill Payers Forum	Students		13	A better understanding of how we should engage with this audience, to help with future business planning
Stronger Together Conference	Non-Governmental Organisations		106	Plans in place for a collaborative approach to supporting vulnerable customers with Dŵr Cymru Welsh Water
	Utilities			
	Housing Authorities			
	Local Authorities			
RESEARCH – INFORM/CONSULT				
	Telephone surveys	Interviews with customers and non-customers to understand their perception of us	1,056	Changes to website planned into Phase 2
	Political Audit – selection of political stakeholders including MPs, Ams and Civil Servants	Telephone interviews to understand their perception of us	27	Plans to engage more frequently with political stakeholders, following a clear appetite from them to receive more communications
INFORMATION CAMPAIGN – INFORM/CONSULT				
	All customers	Social media campaigns for CO Safety Comp	47,000	CO Schools Safety Competition entries improved by 446%
	Potential recruits	Apprentice and graduate recruitment promotion	196,000	Applications increased to 923 for 23 jobs – up 64% on last year

Activities, such as those shown in the table, are in addition to the day-to-day engagement that our colleagues carry out as part of their jobs. However, all of which use stakeholder input to drive improved performance.

As part of our shared engagement process, we asked representative stakeholders to give us their perceptions of what's important in our business activities. We will continue to do this annually to track any changes in stakeholders' priorities.

Our stakeholder engagement programme is broad and inclusive. A range of our activities during 2016/17 is detailed on the right.

What's new this year

Researching stakeholder opinion

We constantly seek to innovate and improve what we do. We've broadened our engagement channels and taken steps to gain greater insight into how we are perceived by the media, individuals, businesses and key stakeholders, including politicians and government officials.

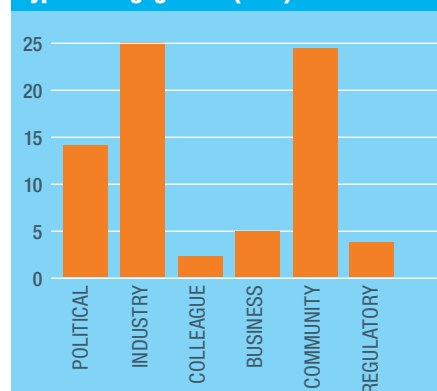
We instigated stakeholder opinion research with a representative selection of domestic and business customers (more than 1,000 in total) to determine their perceptions of the gas distribution network.

This helps us better understand how we can best manage engagement with discrete groups of stakeholders, focusing on communication channels and those business activities that are most preferred by those with whom we communicate.

Continuing and developing this research every year will help to show trends in stakeholders' opinions, identify new areas that are considered important, as well as finding new and emerging stakeholder groups.

We also commissioned an independent audit to determine how we are perceived by key politicians and energy stakeholders (27 people and organisations). It showed a clear appetite from the stakeholders to engage more with us on a range of topics, including the future of energy and social obligations. This is helping us to plan and prioritise our engagement programme with both the UK and Wales Governments.

Types of engagement (total)



Examples of engagement	Type of engagement
APRIL 2016	
Locational Workshop x 4	Community
Vulnerable Customers Forum	Community
Future Bill Payers Forum	Community
Hosted RNIB 'Train the Trainer' event	Community
TAI 2016 conference	Community
Craig Cefn Parc drop in centre – Warm Home Assistance promotion	Community
Landlords association evening event – Warm Home Assistance promotion	Community
Gas Distribution Network (GDN) carbon monoxide (CO) Best practice group	Industry
Data sub group meeting	Industry
MAY 2016	
Torfaen Learning Centre (CO and Priority Service Register awareness)	Community
Safeguarding Customer Working Group	Community
Utility Week Live	Industry
JUNE 2016	
BSI Sharing best practice day (BSI: 18477)	Business
Critical Friends Panel x 2	Community
Royal Bath & West Show	Community
Big Bang Fair	Community
Safeguarding Customer Working Group	Community
Future of Research & Innovation in the Energy Sector	Industry
National Asset Management Conference	Industry
National Storage & south west Energy Storage Conference	Industry
GDN Fuel Poverty Group	Industry
Sponsored summer PGES Networking Event	Political
Ofgem Future of Regulations event	Regulatory
JULY 2016	
CKI International Future of Energy (FOE) event	Colleague
Royal Welsh Show	Community
Energy Policy Forum for Wales	Industry
Energy Summit	Industry
AUGUST 2016	
Safeguarding Customer Working Group	Community
GDN Safeguarding group	Community
SEPTEMBER 2016	
Smart Energy for Wales – Focus around local authorities in Cardiff	Political
Care & Repair conference	Community
Annual IGEM Conference	Industry
GDN Fuel Poverty Group	Political
OCTOBER 2016	
Devon and Cornwall Business Council – Regional Multi-Utility event – Stakeholders (Future of Gas)	Business
Chaired FOE session at the National Low Carbon Networks Innovation Conference	Industry
Utility Week Congress	Industry
NOVEMBER 2016	
Smart Flexible Scotland Event – implications for Wales Energy	Industry
Energy and Utilities Alliance – the energy trilemma	Political
CBI Dinner (Ken Skates AM – Economy Minister Wales)	Political
JANUARY 2017	
Colleague Roadshow	Colleague
CEO of Energy Systems catapult visited Wales & West Utilities	Industry
Smart Flexible Wales Energy conference	Industry
Combined Water & Energy Meeting	Industry
IGT GIRS Forum	Industry
BG Housing Team	Industry
We represented all Gas Networks at national event for local authorities at Energy Systems Catapult (Smart Systems & Heat)	Industry
Decarbonised Gas Alliance meeting with Welsh Government Minister and Jennifer Pride	Political
FEBRUARY 2017	
Energy Networks: Working Together to Tackle Vulnerability Workshop	Community
Safeguarding Customer Working Group	Community
Business in the Community Cymru Leadership Team	Community
Green Frog (Gas fired power generation review)	Industry
James Heapey MP visited Wales & West Utilities	Political
Anglesey (Rhun ap Iorwerth AM – Gaerwen infill)	Political
MARCH 2017	
CBI Round table Wales (Nick Hurd MP)	Business
Institute of Customer Service showcase event	Business
CAB networking events	Community
Alternative Gas Workshop	Industry
Supply point administration agreement (SPAA) working group	Industry
Industrial Strategy Wales (Greg Clarke MP & Nick Hurd MP)	Political

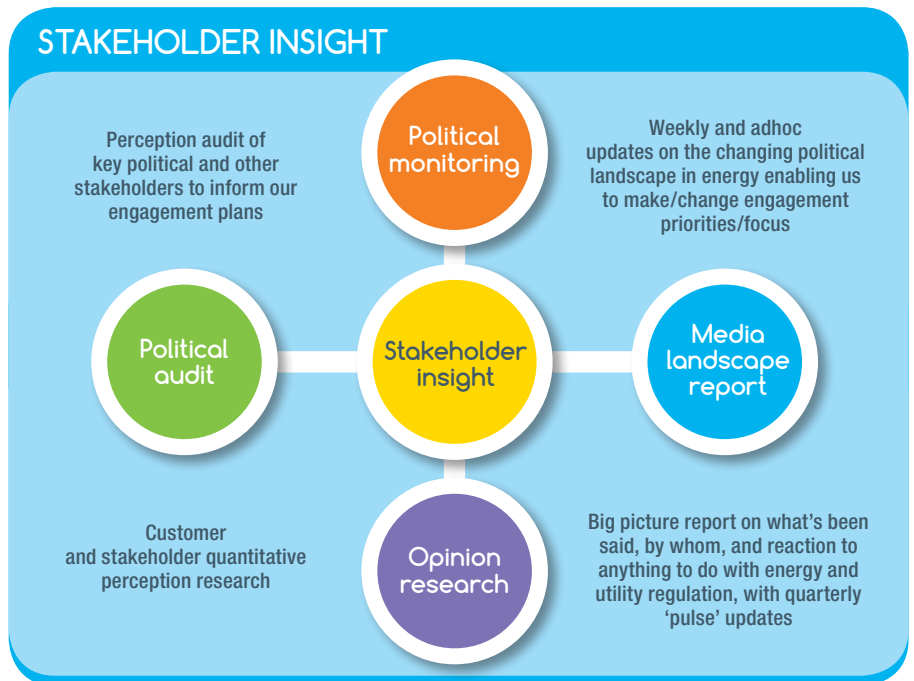
Exploring stakeholder perception

We wished to learn about the perception of our company by the media, so we commissioned a report of digital and print media coverage of the energy industry, including ourselves, during 2016. We are now updating these findings on a quarterly basis. These reports inform us of external perceptions of our company as a key energy distributor and the media reaction to what we say about ourselves. It helps us to gauge how far our messages are being received and interpreted, as well as how we are perceived relative to other gas and electricity networks and suppliers.

Increased engagement opportunities for stakeholders this year

We ran locational workshops at various places across our network area to extend the opportunity for stakeholders to engage with us on a face-to-face basis and to increase the range of stakeholder representative organisations with whom we engage. At each of these events we gain feedback from harder to reach regional groups which helps to inform our engagement programme. These workshops were attended by 107 people. We also held topic-specific surgeries on our social obligations, the future of heat, biogas connections and smart metering at the end of each workshop to allow stakeholders more time for further discussions and to provide feedback on the subjects of most interest to them. 100% of those who completed our satisfaction form reported that they found our locational workshops and surgeries interesting or very interesting and we have already held more of both in 2017/18.

We hosted a Vulnerable Customers Forum with



representative organisations to discuss a variety of issues, including how we can help people who are in the most vulnerable situations in society. Following stakeholder feedback at this event, and working with our fuel poor partner, Warm Wales, we initiated the first multi-utility conference in Wales on vulnerability. Called 'Stronger Together', gas, electricity and water companies participated to discuss potential collaborations and partnerships. Our collective goal is to deliver co-ordinated services for vulnerable groups and this was a significant stakeholder engagement event in our 2016/17 calendar. The outcomes will have a far-reaching impact on our collaborative approach to the way we provide services for all

customers, particularly those who are in the most vulnerable situations. There is more information on this event in Part Two.

Following feedback from the stakeholders who attended this event, we are considering how we may host similar events in other areas of our network. We sought stakeholder guidance on the specific areas and exact nature of these events during our locational workshops, held in May 2017.

We also hosted a workshop for young people who will be the energy bill payers of the future, to make sure we consider their views in our business planning.

WHO WE'VE ENGAGED WITH

Below is an overview of our broad and inclusive list of stakeholders.

Shippers, suppliers and other utilities	Consumer focus groups	Innovation groups
Fuel poverty groups	Alternative gas groups	Media
Vulnerable customer groups	Regulators	Non-Governmental Organisations
Colleagues & Trade Unions	Blue-light services	
Customers	Other Gas Distribution Networks	Shareholders and Investors
UK & Welsh Governments	Environmental groups	Health & Safety Executive
MPs & AMs	Supply chain partners	Local Authorities
People within our network	Skills and Education groups	Industry bodies

gas industry and the challenges it faces. These well-informed people are increasingly able to give us feedback on more complex aspects of our business planning and they scrutinise our activities and our approach.

Our partnership approach

We have reviewed existing partnerships with organisations who share our values and priorities, and also created new ones. We can therefore work closely with bodies that can identify and engage with hard-to-reach customers on our behalf, for example Fire & Rescue Services. To make sure we have a consistent approach we have:

- Designed a 'Partners Pack' to promote the full range of services we offer customers who are in the most vulnerable situations. The pack includes CO awareness advice, and information on Priority Service Register benefits and Locking Cooker Valve installation.

What's new this year

We've reviewed our stakeholder database, segmenting it by sector and making sure we include as many relevant groups as possible.

Following the 'Stronger Together' conference, we created a new partnership with the charity Care & Repair, which supports older people in their homes, helping with repairs as well as providing financial advice, in order to engage with harder

to reach groups in our network area. We are also starting to work more collaboratively with Dŵr Cymru Welsh Water, the water and sewerage company serving most of Wales.

We revitalised our Critical Friends Panel to make sure there is stakeholder representation across all relevant groups. This panel is made up of representative individuals who are gaining a more detailed knowledge and understanding of the

It also highlights potential funding for connections to our network through our Warm Home Assistance scheme, as well as highlighting the criteria for free of charge meter alterations, should the customer be unable to access it, in case of an emergency.

- Introduced a system of monthly reporting by our partners to make sure we're getting the information we need, and
- Sought feedback from partners to make sure we achieve maximum mutual benefit from working together.

We'll continue reviewing and building additional partnerships and we are seeking closer working relationships with other utility companies and organisations to maximise efforts to help those most in need of advice and support.

FEEDBACK AND BENEFITS OF OUR ENGAGEMENT

100%
of attendees
said our
locational
workshops were:
**interesting
or
very
interesting**

99% of attendees said they
had the opportunity to contribute

95% of attendees said we
covered the right topics

Colleague engagement with our
intranet (Pipeline) continues to increase:

54% increase in posts

67% increase in reactions made

24% increase in communities created

36% increase in discussions started

93% of
attendees said
they'd like to
attend future
workshops

**Customer
Satisfaction
scores have
improved
from 9.05
(15/16) to
9.11 (16/17)**

Our revised stakeholder governance model, together with our revised and improved engagement and feedback processes, continue to help us embed stakeholder engagement so it becomes second nature with all colleagues. It has resulted in a significant number of stakeholder engagements, outputs and benefits – all of which are detailed in the table at the end of Part Two.

For example, an output related to our highest regarded business priority by stakeholders of raising awareness of CO can be summarised as follows. 97% of stakeholders who attended our locational workshops told us we should continue to do more to raise awareness of the needless deaths and injuries caused every year by CO poisoning – and make it

our top priority. This led us to review and revise our CO awareness strategy so that we can reach those who are potentially most affected by CO poisoning – young and older people in vulnerable situations and those living in our CO 'hot spot' postcode areas, where we receive proportionately higher CO call outs.



**We're a responsible
business, driven by
our values. Safety
is a key priority and
people are at the
heart of everything
we do**



OUR CULTURE

Our values-driven business culture permeates all our engagement. Our ambition is to deliver outstanding levels of gas safety, reliability and customer service so that we are trusted and valued by the millions of people we serve every day. We put people at the heart of everything we do, and this principle guides our customer service and stakeholder strategies.

Our directors, senior managers and others in our leadership team play key roles in our stakeholder engagement, leading a range of workshops on various subjects. They drive our engagement with UK and Wales Governments and the civil service, academia and policy forums. It's important that the voice of the industry is heard and we had a presence at more than 70 conferences, panel sessions and round table events in 2016/17.

Our directors and senior managers deliver our colleague quarterly roadshows held throughout our network area. We recognise that our 1,400

colleagues are vitally important stakeholders. They are responsible not only for delivering services and improvements as a result of stakeholder and customer feedback, but also for being a front line in that engagement. Two quarterly roadshows attended by 110 colleagues focused on stakeholder engagement – reminding everyone about our strategy and giving advice and insight as to this aspect of our roles. This information was sent out in our monthly briefing to 113 managers, including a film of the roadshow, to brief to their teams.

Behavioural Competency Framework

While senior managers have always been expected to lead on engagement, our new Behavioural Competency Framework formalises this responsibility. It is a way of clarifying all colleagues' responsibilities to our stakeholders.

Launched last year, our Framework sets out the way we deliver our business priorities and how we expect our colleagues to behave in their day to day roles. Our company demands high standards of all and expects every colleague to behave in a

responsible manner – in line with our values. Our Framework was developed from information and feedback gained from colleagues at all levels in our business. It informs individual and team performance reviews, underpins our ambition,

priorities and values, and provides clear guidance on what is expected of all of us, particularly in relation to stakeholder engagement. This is of crucial importance in helping us to build and strengthen relationships with our customers and stakeholders.

Feedback on our company's culture

"An Investors in People accreditation is the sign of a great employer, an outperforming place to work and a clear commitment to success. Wales & West Utilities should be extremely proud of their achievement."

Investors in People

"To win an award at such a highly-regarded event as the RoSPA Awards is a great achievement for our winners. It recognises their commitment to maintaining an excellent health and safety record and raises the bar for other organisations to aspire to. We offer them our congratulations."

Royal Society for the Prevention of Accidents (RoSPA)

"A presentation in the form of a 'film premiere' with an information sheet and booklet was held at Head Office, delivered in three sessions to all staff. This portrayed the organisation's 'Behavioural Competency Framework' – based on four core behaviours of customers first, ownership and accountability, team relationships and efficient and innovative processes. The framework was communicated to all WWU offices, as seen during the depot visits."

BS18477: British Standard for Inclusive Service Provision

"Wales & West Utilities enjoys an excellent reputation for customer service and work hard to maintain and enhance this in everything they say and do. Anecdotal evidence was given of some employees who had taken a pay cut to come to work with Wales & West Utilities because it is the kind of organisation they want to work for and be part of."

"Accountability [for customer service] sits nominally with the Customer Service Manager although several employees were keen to point out that 'we all do customer service'; this attitude was made amply evident in conversations and interviews. The culture is not limited to employees but extends to partner organisations and contractors as well."

"A large recent initiative, centred around vulnerable customers, was rolled out in the Celtic Springs offices and to field teams. A workbook used in these sessions was provided; many attendees used the e-learning package where they had ready access to a computer. In all the interviewee groups at least one person mentioned this training and the results were seen in action on the field visit to a vulnerable customer (elderly and with impaired mobility)."

Institute of Customer Service (ICS)

Feedback from our 2016 colleague engagement survey

"How many companies recognise talent and reward it like we do? Celebrating Excellence awards etc. I'm very passionate about working for WWU, and very, very proud."

"Going from strength to strength each year is my observation, and belief."

Performance Manager mid and north Wales

"I have been working with Wales & West Utilities for more than 10 years and would highly recommend the business to others."

Asset Assistant, Celtic Springs

"I'm proud to work at WWU and have a great team of people around me. Great place to work!"

Independent evaluation and accreditation

All of the accreditations and endorsements we've received are due, in part, to the 'inside out' strategy that is now embedded across our business. Colleagues are aware of the relevant stakeholder groups within their specific geographical or business areas and aim to achieve accreditations that endorse their work.

AA1000SES: Stakeholder Engagement Standard



We make sure that our work is in line with the AA1000SES Stakeholder Engagement Standard. This sets out a framework for the design, implementation, assessment and communication of quality stakeholder engagement – and includes essential characteristics such as inclusivity, meaningful outcomes and effective communication.

Every year we have an independent assessment, so we can maintain the focus required to meet this very high standard.

Gold award status for the fourth year in row – only gas network to ever achieve this

Royal Society for the Prevention of Accidents (RoSPA)

As may be expected of a company like ours, safety is of course our number one priority.

The RoSPA Awards are among the most prestigious in the sphere of health and safety.



We were awarded the RoSPA Gold Award for our H&S performance in 2016 and this is our fourth such award in a row. No other UK gas network has achieved this and we are immensely proud of the success. This message of safety achievement is important to build into our communication and engagement and it is a welcome reassurance to the people, organisations and interest groups who rely on us for a high quality and very safe service.

British Standard for Inclusive Service Provision (BS18477)
First gas network to ever achieve this

BS18477: British Standard for Inclusive Service Provision



The BS18477 standard is designed to help organisations identify customer needs and adapt their services to be inclusive and easily accessible.

In December 2016, we underwent a five-day audit which involved interviews with more than 40 of our colleagues and the scrutiny of processes in all departments. The outcome was that we were awarded BS18477 and in the process became the first gas network to receive the accreditation.

BS18477 recognises that people have a wide range of abilities, personal circumstances and varied requirements and it highlights that these needs can make some customers vulnerable and disadvantaged. We acknowledge that vulnerability can be caused by many things, including illness or a change in personal circumstances, such as a family bereavement or losing a job.

We've achieved BS18477 in large part because of our engagement with various groups whose feedback has greatly influenced what we do. We have since made sure that stakeholders and partner organisations we work alongside are aware that reaching this standard is testament to the effort we commit to engagement and the successful outcomes that we achieve.

BSI Consultant Heather Nowak said:

“Great customer service matters, but few organisations actually deliver above and beyond expectations. Wales & West Utilities are one such company. Their willingness to go that extra mile for their customers is evident from their round-the-clock community engagement, and their dedication has been rewarded with impressive results and business growth.

“They have strategies in place making sure all their colleagues are engaged with the support services the company can provide to the vulnerable in society, while their proactive partnership working with local organisations means they can prioritise customers who may be at increased risk if the gas supply is disrupted.”

Institute of Customer Service: ServiceMark

We were first awarded the prestigious Institute of Customer Service (ICS) ServiceMark in 2014. Building on that success, we've now been re-accredited at Distinction Level.



Our accreditation followed a rigorous week-long assessment which involved customer surveys, colleague interviews, and analysis of company documentation and processes. The assessment also gave us the opportunity to prepare a plan for further improvement.

We achieved a customer satisfaction score of 90.4 which is considerably higher than the utility company average of 73.3 and the all-sector benchmark score of 77.4. This highlights our market-leading customer service performance. ServiceMark is granted for three-year periods and is the ICS's most thorough accreditation.

Once again, this award is a successful outcome recognising our good communication with stakeholders and our commitment to pursue continuous improvement. The accreditation is another reassurance to those we deal with that we are committed to doing our best for the communities we serve. As a direct result, we were invited to jointly host an ICS member event, showcasing our performance and customer initiatives, attended by representatives of 44 delegates.

Jo Causon, Chief Executive at The Institute of Customer Service said:

“Efficiency, effectiveness and empathy are key components of any great service delivery. At last week's showcase event, Wales & West Utilities' commitment to the service agenda was evident right from the very top of the organisation. They demonstrated through the use of clear and transparent measurement, and genuine commitment from the front line to the CEO, how they provide clarity for employees and customers about what needs to be done in real time, supporting their purpose and delivering for customers.

“Events like these provide a great platform for customer service professionals to share and learn from different industries, ensuring we are all truly striving for best practice and never settling for complacency.”

Business in the Community Wales

Responsible Business of the Year

We were recognised by Business in the Community (BITC) as Responsible Large Business of the Year during 2016 for our success in embedding responsible business practices throughout our operations in Wales.



Rosie Sweetman, director at Business in the Community Cymru, said:

“Wales & West Utilities have put their values at the heart of what they do and truly embedded responsible business through their operations and decision making; it was great to see the baton of Wales Responsible Large Business of the Year being passed from Principality Building Society to another leading Welsh company.”

ISO 55001: Asset Management

At the beginning of 2017, we successfully gained renewed certification for the standard for Asset Management, ISO 55001. This will run until 2020, subject to annual assessments.

The theme of an audit for ISO 55001 focused on our strategic approach to planning for GD2 and managing the significant challenges we face around the future of energy.

The auditor was particularly interested in our Future Energy Model, our communication and engagement work, and also our involvement in significant innovation projects. This includes Project FREEDOM which is, in collaboration with Western Power Distribution and the company Passive Systems, investigating hybrid heating systems for domestic customers.

Health & Safety Executive Major Hazard Safety Leadership Inspection: Exemplar rating

Following the Health & Safety Executive (HSE) awarding us an Exemplar rating for our Major Hazard Safety Leadership, which underlined the importance that we place on safety, we have maintained our engagement with them and other safety organisations. Seeking their feedback is vitally important in helping us maintain our excellent safety record and we share our safety best practice with other organisations at HSE seminars and workshops.

IMechE & IGEM Graduate Scheme: New accreditation

We understand the importance of having engineers with the experience and capability to make completely sure that we operate a safe and reliable gas network. Chartered Engineers are key to this requirement.

We aim to select the right type of committed, self-motivated, forward thinking individuals into our Graduate Recruitment scheme. Our company needs people who will not only become Chartered Engineers, but who will also develop into leaders of the future.

Our scheme was recently accredited once again by IMechE & IGEM, providing evidence of the importance we place in developing our people for the benefit of customers and stakeholders, and of the continued support that we give to individuals.

Chair of the reaccreditation panel, Kevin Cleminson, said:

“It’s good to see that the future of the industry is in good hands.”

OHSAS 18001: Occupational Health and Safety Management (OHS)

Following an audit which involved a number of our back office and operational colleagues, we were awarded the OHSAS 18001 Standard. This sets out the

requirements for occupational health and safety management best practice.

Given the importance we place on safety and the wellbeing of our colleagues, it’s something of which we’re very proud. It is an indication of our commitment to all who work in the company and our understanding of their needs, achieved by regular engagement with our colleagues to help shape policies and services.

External evaluation of engagement

We’re constantly learning and striving to improve the various ways we engage with our stakeholders. To obtain an external perception, we commissioned stakeholder engagement specialist Westbourne to conduct an audit of our engagement practices. We asked for them to be examined alongside those of other gas networks, and also to consider feedback previously received from Ofgem.

The findings of this assessment have played an integral part in our revised approach to stakeholder engagement, including our strategy refresh and internal processes leading to our circle of engagement, which we’ve detailed in this document.

We have incorporated the key assessment outcomes in our revised stakeholder engagement strategy and processes. The headline recommendations are:

- 1 Make sure that stakeholder feedback is taken on board, where possible, and that changes to your business practices are highlighted. Where they are not possible, be open and honest about why.
- 2 Proactively lead the way in establishing partnership working and in working in collaboration with relevant bodies.
- 3 Place a greater emphasis on recording the effectiveness of certain activities against the costs incurred so that you can demonstrate which activities provide best value for money.

Westbourne:

“We have worked with Wales & West Utilities to ensure that all comments made by stakeholders at events are recorded and fed back. Once we record the comments made, we produce detailed reports which are, in turn, sent to all those people who attended.

Importantly, we draw out recommendations from the events which were presented to senior personnel at Wales & West Utilities and to members of the Wales & West Utilities Critical Friends Panel for their scrutiny. The company then strives to incorporate these recommendations into its Business Plan, wherever possible.”

Investors in People – Silver Level

This year our annual colleague engagement survey was carried out in conjunction with Investors in People (IIP) and included 57 one-to-one interviews between our colleagues and auditors from IIP.



Our people are at the heart of everything we do, and we were delighted to achieve IIP’s silver level accreditation at the first time of trying.

Being awarded a silver level accreditation against the IIP Standard demonstrates our commitment to high performance through good people management and allows us to benchmark ourselves against the best in the business on an international scale.

As a values-driven business, it’s great to be recognised externally as a company that people should aspire to work for and we will continue to look for ways to attract and retain our colleagues.

PART TWO

STAKEHOLDER ENGAGEMENT INCENTIVE SUBMISSION

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The locational workshop is a useful forum.

Very well facilitated and a really good range of subjects covered.

Open forum – everybody was invited to participate.

This is the first Wales & West Utilities event I've attended so wasn't sure what would be included – happy with the agenda and presentations.

Really interesting presentations and topics.

Good broad range of subjects with something of interest to all.

Every comment and person was valued.



INTRODUCTION

A productive year yields positive results

Wales & West Utilities had a productive year of engagement with a wide range of stakeholders. It's brought mutual benefit and helped us to enhance the services we provide.

We are a people business and in one way or another we all have a role to play in engagement with others. We run locational workshops and colleague roadshows regularly to stress that engagement is important and relevant to everyone in our company.

We have a dedicated team of stakeholder professionals, and in the last year we made a number of organisational changes to give them greater resources and support.

Effective engagement gives us information to help shape our business plans. We actively listen; we create new opportunities for two-way communication, such as the locational workshops we hosted at key areas in our network – introduced in 2016/17 following feedback from our Critical Friends Panel. Our locational workshops feature round table discussions and presentations on various aspects of what we do, with opportunities for



Our leadership team

our stakeholders to vote on our priorities in order to give quantitative outcomes which genuinely shape our investment priorities.

Our revitalised engagement strategy is already delivering great results – 212 outputs and benefits in 2016/17 for a total investment of more than £1.2 million at a cost of 17p for each of the 7.5m customers we serve across Wales and south west England. A full overview of our outputs and benefits can be found at the end of this report.

Stakeholders trust us and know that their input is listened

to and acted upon. Our locational workshop presentations have the theme: “You said, we did”.

Our commitment is that in the years ahead we will build on our successes to deliver the ever-improving standards of services our customers and stakeholders deserve.

Graham Edwards
Chief Executive

TAKING A STRATEGIC APPROACH TO STAKEHOLDER ENGAGEMENT

We are a values-driven business and people are at the heart of everything we do. We adopted an ‘inside out’ strategy, recruiting for and rewarding behaviours that exemplify our values in action – embedding a culture that puts people first. Listening to and integrating the views and feedback from both our internal and external stakeholders into our business strategy and operations has helped us develop a stakeholder-centric culture.

We focus our engagement on a wide range of stakeholders, driven by our directors but ‘owned’ and delivered by colleagues throughout our business. Stakeholders’ feedback is carefully considered, and our subsequent proposals are further subject to stakeholder scrutiny and refinement, maintaining communication throughout. This forms our virtuous circle of engagement.

We regularly review our extensive stakeholder database and work with partners, such as Care & Repair – an organisation that supports older people, to identify and access harder to reach stakeholders. We monitor and measure the results of our engagement, and independent engagement specialists review our engagement reporting.

Our engagement considers our different stakeholder groups, with differing levels of knowledge and interest in our business, tailoring engagement channels and content to the relevant stakeholder group.

We’ve strengthened our stakeholder engagement activity, increased the resources of our stakeholder team and moved it into our People & Engagement directorate, consolidating our communications activities. This has enhanced our management of engagement activity, benefiting our business as well as improving our engagement capability for stakeholders.

Stakeholder feedback is considered and proposals for business improvements as a result are taken by the

relevant director to our monthly Business Operating Committee to be discussed and agreed by our leadership team, led by our chief executive.

Our stakeholder engagement focuses on seeking feedback on our key business activity areas; to make sure our stakeholders influence and help improve our business planning in these key areas of importance. They are:

- Helping customers in vulnerable situations
- Customer service
- Emergency response
- Colleagues
- Sustainable future
- Innovation
- Government and parliament

Following the ranking of our priority areas by stakeholders at our locational workshops, we have focused on the activities rated most highly by our stakeholders (see right).

STAKEHOLDER PRIORITIES

Rated out of five

CO poisoning prevention and awareness	3.88
Lower carbon future	3.74
Theft of gas	3.73
Supporting the fuel poor	3.72
Meeting future demand	3.71
Major incident planning	3.71
Vulnerable customer support	3.65
Innovation	3.60
Protecting the environment	3.41
Smart metering	3.31

We will continue to do this annually to track changes in stakeholders’ priorities.

“ Our revitalised engagement strategy is already delivering great results – 212 outputs and benefits in 2016/17 for a total investment of more than £1.2 million at a cost of 17p for each of the 7.5m customers we serve across Wales and south west England ”

Gold award status
for the fourth year in row – only gas network to ever achieve this



British Standard for Inclusive Service Provision (BS18477)
First gas network to ever achieve this

bsi.

HELPING CUSTOMERS IN VULNERABLE SITUATIONS

Making sure our customers stay safe and warm is very important to us. And we want to do all we can for those customers who are in the most vulnerable situations in our society.

OUR STAKEHOLDERS HAVE TOLD US TO:

- Focus on those who need most help
- Make information easily accessible
- Build relationships with partners to help promote our services, and
- Achieve a British Standard for the quality of our work

AS A RESULT OF ENGAGEMENT, WE HAVE ACHIEVED 44 OUTPUTS AND BENEFITS FOR AN INVESTMENT OF £396,784.94, INCLUDING:

- The revision of our carbon monoxide (CO) strategy, to focus on those most at risk
- A new online initiative, for wider awareness of CO safety
- Gaining BS 18477 – British Standard for Inclusive Service Provision, and
- Initiating a multi-utility conference on vulnerability

Carbon monoxide

Revised CO strategy

Our stakeholders support raising awareness of CO safety, particularly among people who are most vulnerable to CO. We've therefore revised our CO strategy to focus on:

- People under 14 and over 65
- Customers who are in a vulnerable situation, for various reasons
- People living in 'CO hot spots' – areas with a proportionally higher than average number of CO-related emergency call outs

We need our safety messages and free CO alarms to reach the groups we focus on in our revised CO strategy, but as we don't hold customer data this can be challenging.

Our stakeholders recognised this and the theme of more and better partnership working was something that came across when we asked them to comment on our proposed approach in this area.

Since the start of 2016/17 we've created new partnerships with four more Fire & Rescue Services (FRS) in our network, taking our total to six out of seven.

During their Home Safety Visits the FRS encounter people in vulnerable situations and can provide them with our CO and gas safety-related information and CO alarms. They give us monthly updates to monitor progress against targets.

We've looked at other ways of identifying customers in vulnerable situations. These include targeting people who receive a 'Free of Charge meter alteration' – customers in a vulnerable situation who can no longer access their gas meter with ease, and those we sign up to the Priority Service Register – both these groups now receive a free CO alarm.

In 2016/17 we gave away 5,496 CO alarms, slightly more than in 2015/16 (5,262), with greater emphasis on targeting those most at risk of CO poisoning. Of those who completed our CO feedback form, 40% said their awareness of CO had increased. This was the highest increase for all the gas networks.

Public events

In 2016 we attended the annual Royal Welsh and Royal Bath & West Shows. While we gave away 2,456 CO alarms, in future we want to refocus our distribution of alarms to target audiences that are more aligned with our CO strategy. Taking into account feedback from our Critical Friends Panel we decided that our presence at future shows will be scaled down and in partnership with the relevant local Fire & Rescue Service.



By partnering with emergency services, who are well-known and trusted by the general public and, importantly, those people in our target demographics, our messages will have more impact. Throughout 2017/18, we're going to be looking at further opportunities to work in partnership together.

We've trialled a new targeted approach to public events by visiting a shopping centre in a 'CO hot spot' postcode area in Bridgend. We gave more than 400 alarms to local people, with 34% of recipients living in the hotspot postcode area. This was a low-cost event with a successful outcome.

Stakeholders at our locational workshops, our Critical Friends Panel & Vulnerable Customers Forum have endorsed this cost-effective approach to raising the awareness of CO safety, which they consistently rate as a key priority for us.

New leaflets



Our stakeholders have consistently emphasised at locational workshops right across our network that people must know who to call in a gas or CO emergency.

We've amended our CO leaflet to feature stronger branding. It contains clear information on how to get help if CO is suspected, including the national gas emergency helpline number. Importantly, it also has the Crystal Mark seal of approval.

Two of our safety-related partners, DangerPoint in Wales and LifeSkills in south west England, who we sponsor £5,000 each per year, helped us to promote CO safety to the 14,500 visitors they had through their doors last year.

We provided each centre with 8,000 CO and 8,000 gas-safety leaflets last year, as well as guidance on what the visible signs of CO are, which they include in their interactive safety scenarios for visitors to identify.

CO Schools Safety Competition



Raising awareness of the danger of CO to young people in an engaging and interactive way is something that

is widely supported by our stakeholders. We support the UK-wide CO Schools Safety Competition, run in collaboration with the other gas distribution networks.

The competition is aimed at 5-11 year olds – a group that's particularly vulnerable to CO danger. They are tasked with creating a relevant poster, film, poem or song that warns of the dangers of CO.

We focused on maximising the reach of the competition by using various communication channels to make sure it was seen by a broad and inclusive audience. To do this, we:

- Used an endorsement from a celebrity (ex-international rugby star Tom Shanklin)
- Issued 2 area-wide and 13 localised news releases
- Wrote to head teachers in more than 2,500 schools asking for support encouraging them to get their schools involved
- Publicised the competition internally to all our colleagues, and
- Used social media to reach more than 147,000 people

We received 317 entries, 446% more than we did in the previous year.

The COdebreakers

Stakeholders at our locational workshops as well as our Critical Friends Panel & Vulnerable Customers Forum have told us that CO safety should be a top priority for us.



Taking this into account, in early 2017 we developed a new online CO safety initiative. We created two 'superheroes', Chloe and Ben – the COdebreakers. They're the face of our new online game, called 'Crack the COde', which challenges people to answer questions related to CO safety to reveal letters. These letters can be rearranged to make a word to 'Crack the COde.'

Those who 'Crack the COde' can share their success on social media and challenge others to try. They also receive a letter and a CO safety related gift, to keep the conversation flowing.

More than 51,000 people have seen our Facebook promotion and more than 238 people have managed to 'Crack the COde' since it launched in March 2017.

Through the feedback survey that users complete once they've 'Cracked the COde', we've established that knowledge of the dangers of CO has increased by 25% and commitment to take further action was 79% after playing the game.

So far, 54% of users have agreed to allow us to contact them with relevant CO-safety information, and we will send them important information at key times of the year, like the start of winter, when appliances are starting to be used more frequently.

Visit www.wuutilities.co.uk/crackthecode

Partnerships

Stakeholders at our locational workshops, Critical Friends Panel and Vulnerable Customers Forum told us they supported new relationships with emergency services and charities, to help us engage with hard-to-reach customers.



As a result, we met with Fire & Rescue Services in our area and provided them with information on the services we can offer customers in the most vulnerable situations. We have increased the number of our Fire & Rescue Service partners from two to six.

To make sure our partners have all the information they need, we've devised a 'Partners Pack', which contains an easy to understand guide about the services we can offer. It includes a survey that partners fill in with information about the customers they meet, helping us to identify those who are in the most vulnerable situations.

All partners are now equipped to promote awareness of:

- CO safety
- Locking cooker valves – which help people with conditions such as dementia, to use gas appliances safely
- Warm Home Assistance – providing eligible people with around £2,000 towards the cost of a new gas connection, and
- Priority Service Register sign-ups – this makes additional services available to people in vulnerable situations

We also place gas and CO safety information in these publications:

- Wales Council for the Blind quarterly magazine – 1,250 issues/year
- Age Cymru's Ein Llais quarterly magazine – 900 issued/year
- Royal Welsh Show caravan passes – around 2,360/year
- Wychwood Festival – 4,000/year
- Urdd Eisteddfod – 10,000/year
- Cardiff Met University – 2,000/year

Stronger Together conference

Stakeholders at our Vulnerable Customers Forum told us they would like us to collaborate more with other utilities to support customers in vulnerable situations.

With this in mind, and with the support of our fuel poor partner, Warm

Wales, we initiated the first multi-utility conference to focus on this topic. We worked in partnership with water company Dŵr Cymru Welsh Water and electricity network Western Power Distribution.

The aim was to bring together utility companies that share a similar footprint to find a way of creating stronger relationships and improve collaboration to help support the most vulnerable in society.

The event was attended by 104 delegates from housing associations, local authorities, charities and the voluntary sector.

A Q&A session featured all three utility company chief executives, demonstrating high-level commitment. The key outcomes from the conference were that organisations wanted us to:

- Collaborate more
- Influence Government and regulators to create a unified Priority Services Register, and
- Work with other organisations to access more hard-to-reach customers in vulnerable situations

We're already in discussion with Dŵr Cymru Welsh Water and Care & Repair, an organisation which helps older people by repairing, adapting and maintaining their homes, about working together in partnership.

Dŵr Cymru Welsh Water shares a similar geography to ourselves in Wales, and Care & Repair have the capacity to cover the whole of our network, so working together makes sense as we can reduce duplication of effort and costs as well as increase the number of people in vulnerable situations that we can offer our support services to.

Inclusive Provision Standard – BS18477 bsi.

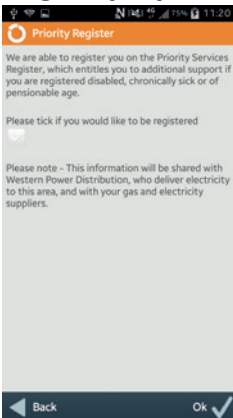
We believe that we are really good at making sure we look after our customers, especially those in the most vulnerable situations, but we wanted to receive external assurance. At our four locational workshops held around our network last year, stakeholders supported our decision to achieve a quality standard for our work to support customers in vulnerable situations. We identified British Standard 18477 as appropriate – to validate that our services are accessible to all our customers. The assurance involved a full audit of 1,250 customer-facing colleagues, including our back office, operational and contractor colleagues, more than 40 of whom had a one-to-one interview.

We've a range of support measures available to customers in vulnerable situations and we ask stakeholders from our Vulnerable Customers Forum to scrutinise and give us feedback on them.

We've worked hard to make sure that all our colleagues are aware of the support measures we can offer.

Below are some of the support measures that we have in place for our customers in vulnerable situations, which helped us to gain our accreditation, making us the first gas network to receive BS 18477.

Priority Services Register (PSR)



In 2015/16, we trialled a PSR phone app for some colleagues to sign up customers more easily to the PSR. We saw the number of people signed up and referred to their respective energy suppliers increase by 185%. We therefore equipped all our customer-facing colleagues with the app in July 2016. This led to more than 2,100 PSR referrals during the year.

Early indications suggest we are on course to sign up around 4,000 during 2017/18.

To make things easy for our customers, we aim to provide them with a 'one-stop shop' for PSR sign ups. This means sharing information with other utility providers. We now have data sharing agreements with Scottish & Southern Energy, Western Power Distribution and Dŵr Cymru Welsh Water.

We initiated these conversations, as we believe sharing the data of customers who are in the most vulnerable situations in our network is the right thing to do, as it means they gain access to benefits and services that can make sure their needs are prioritised, should they suffer from a loss of supply.

We have begun investigating similar arrangements with other similar organisations.

Colleague training

In 2016/17 we gave Priority Customer Awareness (PCA) training to 1,250 of our colleagues. This involved 100 sessions at 19 locations – with 91% of training carried out face-to-face and the rest through e-learning. This training means our colleagues can provide our customers in the most vulnerable situations with the level of service they require. All new colleagues in a customer-facing role receive thorough PCA training.

We also provided Dementia Friends training to 108 of our customer service colleagues. These colleagues are now better able to identify the signs of dementia and can adapt the services we provide accordingly.

Warm Packs

We issue Warm Packs to customers in vulnerable situations during a loss of gas supply to their home. Stakeholders told us during the year that our contact number should be prominent on the packs – especially to assist the visually impaired. It was also suggested that we should provide meal vouchers to customers in vulnerable



situations, who choose not to use our alternative heating and cooking appliances, instead of reimbursing them after an incident.

As a result, our contact number has been added to Warm Packs and we now offer all customers a £10 meal voucher which can be used in local food businesses for each day their gas supplies are off.

Cooking and heating appliances



When a gas supply is interrupted, customers may not be able to heat their homes or cook food. We offer customers in vulnerable situations alternative heating and cooking equipment for temporary use. In such situations, we offer hotplates and fan heaters.

Our Vulnerable Customers Panel stakeholders highlighted that some people could potentially harm themselves through burns or even accidental house fires by accidentally touching or knocking over the hotplates and fan heaters. In response we've supplemented these with microwaves and oil-filled radiators which we offer to our most vulnerable customers. Last year we purchased 68 and 97 respectively. These do the same jobs, but even more safely.

Free of charge meter alterations

When we are alerted to meters that are hard for customers in the most vulnerable situations to reach – if they couldn't turn their gas supply off during a gas leak, for example – we will, where possible, move their gas meter free of charge.

In 2016/17 we moved 123 meters at a cost of more than £68,000. The 'Partners Pack' we provide to all our partners contains details of the circumstances in which we will move a meter free of charge and, through this, we expect to increase this number considerably.

Easy-to-understand communications



Our communications must be accessible by all – which is one of the reasons we worked hard to achieve BS 18477. Our website is Shaw Trust accredited, providing assurance that it's accessible to customers with a wide range of disabilities.

We also make sure all our leaflets follow the Plain English Campaign's guidelines for clear communications, and where appropriate are Crystal Marked.

We make communications available in large font, Braille and other languages upon request and have placed gas safety related films using sign language on our website.



Vulnerable Customers Forum

Stakeholders at our locational workshops suggested we hold topic specific workshops and vulnerability was a key area on which they wanted us to focus. Our first Vulnerable Customers Forum was held in 2016/17 and attended by 12 stakeholders, representing people in vulnerable situations. It produced a number of suggestions, including working with other organisations to provide additional support to those who need it.

Whenever we identify a customer in a vulnerable situation, we now consider a referral to a body such as social services or the charity Speakeasy which provides free advice on various matters. One referral led to a customer having a full electrical rewire of their home, a new central heating system, house clearance and insulation assistance.

Fuel Poor Hubs

Following feedback from our stakeholders, we have trialled 'Fuel Poor Hubs' in Cardiff and Flintshire.

We made a £45,000 investment so workers from Care & Repair could provide energy and financial advice to some of our most vulnerable customers. 226 people received support as part of the trial. We now plan to roll this initiative out in new areas across our network, such as Cornwall, Bristol and west Wales.

Raising awareness of Warm Home Assistance

We provide free gas connections through our Warm Home Assistance scheme. It's available to people in areas defined as being in fuel poverty. As gas is typically cheaper for heating than other fuels, stakeholders at our Vulnerable Customers Forum encouraged us to do more to raise awareness of the scheme.

Our own research showed that a number of people who applied for new gas connection quotations, and who would have been eligible for free work, didn't benefit as they were deterred by the initial price quoted. We have, therefore, updated our internal systems to identify whether applicants' postcodes might indicate that they qualify for free connections. If so, the work is quoted as free. Since this change, there has been a reduction in the number of customers who might qualify for a free gas connection, missing out

We attended 17 events last year with the aim of raising the awareness of our Warm Home Assistance scheme. Events we attended included those held by Landlords Association, Care & Repair, Social Housing Tenants Association conference and local community group drop-in centres.

We also simplified our Warm Home Assistance literature which gives people all the information they need to apply for free connection.

CUSTOMER SERVICE

We want to give outstanding service to all our customers so we listen to what they say.

OUR STAKEHOLDERS TOLD US TO:

- Make sure that customers can contact us in the ways they choose
- Improve communication during disruptive work

AS A RESULT OF ENGAGEMENT, WE HAVE ACHIEVED 84 OUTPUTS AND BENEFITS FOR AN INVESTMENT OF £374,835.82, INCLUDING:

- New easy-to-understand literature on the key services we provide
- Expansion of resources for our social media team
- Hosting knowledge-sharing best practice events

Perception research

We always want to improve the services we provide our customers and so, in 2016/17, we commissioned a perception research study with TTI Global of more than a thousand people – including those who have received services from us and others who hadn't.



Of those who we'd provided services to, 37% said they were unfamiliar with our brand. For the remainder it was 39%. The findings – supported by feedback from colleagues at internal quarterly roadshows (which said that updated vehicle livery and branding could better explain to customers what they were there to do) – led us to rebrand our vehicles with stronger imagery and information on who we are and what we do. The high visibility of our vans is intended to make more people aware of what we do and our role as the gas emergency service provider.

We've just started to rebrand our fleet of vehicles, and have applied the new branding to 48 vehicles so far during 2016/17. We plan to phase the rest of the rollout over the next few years so it's completed cost-effectively.

New communications

Gas mains replacement communication

In 2015/16 we carried out a 'walk in our customers' shoes' exercise to understand fully how our work impacts on customers. The best way of doing that was to walk through the process from their perspective, to make sure we deliver the best service possible.

The scope of this exercise included all communications touch points with our customers during gas main replacement work, including the look, feel and content of correspondence and other printed materials.

It gave us insight into a typical customer's experience of





the work we do. We learned where we could improve, particularly in relation to communication about gas mains replacement.

With the support of our stakeholders and following this exercise, we've completely revised the information we give our customers. All communication uses our new and stronger branding and information was simplified. We rewrote 18 standard letters and 11 leaflets and all received the Plain English Campaign's Crystal Mark.

For schemes that are likely to have a greater impact on the locality, we hold drop-in sessions. Members of the public can meet the team, learn more about the planned work and get more information – last year we held three of these sessions.

Connections

Stakeholder feedback indicated that our connections applications forms and related information leaflets could be improved, so we rebranded and simplified them. Feedback has been very positive, with 97% of customers telling us the new forms were easy to complete, and 95% saying they were easy to understand.

By returning the feedback card that's issued with every application form, customers can give us feedback on ways we can improve the forms, such as amending our forms to add room so customers can draw a diagram to show the route they believe their gas service will need to take.

Customer Support Officers

Customer satisfaction scores indicated that we could improve communications during gas main replacement work. Customer engagement through social media also indicated that customers would like more communication with us regarding gas main replacement schemes.

As part of our annual colleague Customer Service Championship Cup – an internal initiative designed to drive outstanding customer service across our operations – we trialled a 'door-knocking' exercise, visiting all properties which are likely to be affected by our mains

replacement work, to explain what we were doing. This exercise complements the 48-hour notification we provide all customers affected by our work.

During the trial, we received no complaints regarding our communication with customers.

We therefore decided to roll out this approach and create four new roles of Customer Support Officers, whose job it is to communicate with local people and organisations where we are working.

Daily director-led customer complaint meetings

We want to resolve customer complaints as quickly as possible. To support this, we implemented a rota of scheduled daily meetings to discuss all of the complaints we've received in the previous 24 hours. These meetings are led by our directors, so that decisions can be made quickly for the benefit of customers.

This has proved to be highly effective in resolving complaints within 24 hours (Ofgem regulatory standard D+1). In 2016/17 we resolved 81% of our complaints in D+1 – a 17% increase on 2015/16's score of 69%.

Institute of Customer Service Best Practice Showcase event

Our Institute of Customer Service scores, measured against all our service criteria and – and not just the most successful service-delivery areas – once again placed us alongside top retail brands.

Only nine out of the 500 ICS member companies have the Distinction level accreditation rating we achieved. Our score of 90.4/100, places us above John Lewis (83.9) and Amazon (87.2). This recognition evidences the importance we place on providing outstanding service.

Various organisations have asked if we would be prepared to share some of our customer service 'secrets'. We were invited by the ICS to host an event attended by 44 organisations. We shared our approach to customer service, our training techniques, our cultural journey – and some of the tools we use – such as 'Insight' – which provides colleagues with real-time management information.



The event gave the companies attending the opportunity to learn from our experiences, build on our best practices and adopt them, where appropriate, to their business.

Our stakeholders at locational workshops and at our Critical Friends Panel have told us that they endorse our approach to sharing such information as it helps to build reciprocal relationships. Alongside the Institute of Customer Service, we'll explore the potential to hold a similar event on a regular basis.

Social media



We are seeing increasing levels of customer engagement through social media at all hours of the day and night, with followers on Facebook and Twitter increasing by 152% and 32% respectively since March 2016.

We needed to adapt our communication services to make sure we respond to our customers in ways that they prefer, so we've expanded our social media team.

By linking with our customer service and despatch colleagues, who assign gas emergency calls to our engineers, we have the ability to respond to customers on social media 24 hours a day, with an average Facebook message response time of two minutes.

To make sure we can monitor customer enquiries at any time, any place, we've given our customer service colleagues laptops and created a new mailbox that's monitored 24/7 – allowing our customers to communicate with us on their terms.

We've created a complaints dashboard, using our Insight tool, which provides colleagues with real-time management information. By having this information on the progression of complaints, we are improving the way they are managed and keep customers informed.

Theft of gas

Stakeholders at our locational workshops told us that recovering money for 'stolen gas' is a priority.

We launched investigations into 'live' gas services where there were no registered customers. In cases where we have identified customers as being in vulnerable situations, we work with them to resolve the issue without the need to disconnect their gas supply.

During 2016/17 we recovered more than £630,000 – more than double 2015/16's figure. We will pass this to shippers in 2018/19 to reduce the overall transportation element of customers' bills. We are neither better nor worse off from such recovery, but it benefits customers.

Customer support vehicle

On the rare occasions that the gas supply is interrupted, we set up local incident rooms, from where our customer service team supports customers and our operations team manages the repair of our gas network and the restoration of supply. These are usually located in local community centres and village halls.

However, customer feedback has shown that a location that suits as an operational base isn't always the best place for customers to come to for advice and information.

Instead, we've invested in a new customer support vehicle, at a cost of £33,000. This can be parked in an accessible location and is equipped to give customers up-to-date and accurate information relating to the incident.

EMERGENCY RESPONSE

Responding to loss of gas supply incidents on our network swiftly and efficiently is very important to us. We take the wellbeing of our customers very seriously, therefore having processes in place to make sure they receive the best service possible is vital.

OUR STAKEHOLDERS TOLD US TO:

- Have more knowledge of where customers in vulnerable situations are, so they can be prioritised in an emergency
- Share best practice with other gas networks, and
- Make sure we are prepared for major incidents – where tens of thousands of customers may have their gas supply interrupted

AS A RESULT OF ENGAGEMENT, WE HAVE ACHIEVED 4 OUTPUTS AND BENEFITS FOR AN INVESTMENT OF £7,000, INCLUDING::

- Sharing best practice event
- Revising our major incident team and processes, and
- Improvements to our customer contact channels

Major incident review

Following feedback from stakeholders at our locational workshops, a major incident review was completed during the year. We clarified the roles of our Major incident team, which would lead our operational response to a major incident and direct communication with customers and stakeholders when required.

Its structure and cross-functional approach has been tested in smaller scale incidents during the last 12 months and learnings continue to enhance the function.

So we can respond to incidents of this kind effectively, we have reviewed our communications with colleagues and customers. For colleagues, we've introduced an early warning text system. This consists of text updates, with three levels of severity (Yellow: You may have to take action/Amber: Prepare to take action/Red: Take Action) and makes decision making for colleagues and teams involved in our response to a major incident easier. The text updates are operated and managed by our despatch team, to assign gas emergency calls to our engineers. The system is flexible and reactive, and meets the needs of a major incident response.

COLLEAGUES

We recognise that our colleagues are vitally important stakeholders. They are responsible not only for delivering services and improvements as a result of stakeholder and customer feedback, but also for being a front line in that engagement.

OUR STAKEHOLDERS TOLD US TO:

- Create more opportunities for them to interact with our directors
- Raise the awareness of stakeholder engagement
- Make them aware of any key industry changes

AS A RESULT OF ENGAGEMENT, WE HAVE ACHIEVED 6 OUTPUTS AND BENEFITS FOR AN INVESTMENT OF £58,931.29 INCLUDING:

- Holding stakeholder engagement workshops for our senior managers
- Colleague Roadshows which included stakeholder engagement as a topic
- Creating a new behavioural competency framework
- Rolling out an internal smart meter campaign

Engaging our colleagues

Fully-engaged and motivated employees are essential

Taking advantage of commercially available messaging software, we have now added secure messaging application 'WhatsApp' to our company phones. This complements our new early warning system and allows effective sharing and review of photos, videos and documents. Significantly, it allows all messages sent to be extracted in the form of a text document for review after the incident is managed to completion.



Following stakeholder feedback on assistance to customers in the most vulnerable situations during a major incident, we carefully considered our options. Prioritising these customers may not be practical during a major incident, as doing so could greatly increase the amount of time before gas supply is restored – which is not in their interests.

A better method of support is through partnerships with local authority social services, emergency services, charities, resilience forums and other voluntary groups. This enables our engineers to focus on restoring the gas supply swiftly.

Partnership working with other utility companies in our area has also been pursued, and we work with other gas networks via mutual aid arrangements, to share equipment and resources when appropriate. This year we also offered communications support to one of our sister companies in Australia when they were managing a major electricity outage.

Improved communications

In reviewing communication with customers, we have made sure that our call centre can handle the increased calls that would be expected during a major incident. Phone lines can handle up to 120 calls at once, with the potential to be increased to 600. This figure of 120, is a 900% increase on the 2015/16 figure.

Customers increasingly turn to the internet for information, so we have developed a specific major incident response page to be added to our website when required. In the event of incidents we will post regular updates and provide useful links to commonly asked questions. Our website is

able to handle more than 26,000 page requests/minute, with the ability to upgrade our server within 15-20 minutes should our website encounter heavy traffic during a major incident – meaning we're available when our customers need us to be.

During a major incident customers may be required to turn their gas supplies off and then back on again: 'Customer Self Isolation and Restoration' (CSIR). Making sure these instructions are clear and easy for our customers to follow, especially those in the most vulnerable situations, is important – as safety is a key priority for us. For this reason we have created a 'how to' leaflet, which is simple to understand and would be posted through customers' doors during a major incident.

Sharing best practice

Our stakeholders told us that we should share best practice on preparing for a major incident. Since 2010 we've worked closely with other gas networks and regulators to develop the Emergency 3 ('E3 process') for major incident management. Taking on board feedback from BEIS (then DECC) and our stakeholders, we're now working with IGEM to develop an industry standard for managing such incidents. This builds on the preparatory work we have done following feedback from stakeholders, and adapts the E3 process – taking into account the increased expectations of customers, regulators and stakeholders.

The start of the process of putting together an industry standard was at a round table event – hosted by IGEM. It was attended by representatives of all Great Britain and Ireland gas networks. We presented the results of our major incident planning and discussed options and opportunities with other gas networks. Where appropriate, we modified our plans – taking into consideration other networks' experiences.

We're committed to further developing this standard.

**The E3 process was developed in 2012 and stipulates the management procedure for Preparation, Testing and Maintenance of gas distribution networks emergency arrangements – the so-called emergency three – or E3.*

to success. To embed our 'inside-out' strategy, it was important that commitment was gained from all. Our colleagues have contributed to our company's defined Ambition, Priorities and Values and therefore have 'ownership' of them.

Behavioural Competency Framework

December 2016 marked the launch of our new 'behaviours', which complement the delivery of our stakeholder strategy and act as guidance for our colleagues. Included in the launch were:

- A Behavioural Competency Framework – which



clearly defines the behaviours we expect from all our colleagues – back office and operational – and stresses the importance of stakeholder engagement and how we, as a company, expect colleagues to conduct themselves

- A Managers' Pack – containing hints and tips on best practice for their teams, and
- An animated film – voiced by colleagues – to reinforce our new values in an engaging way.

All colleagues received our new Behavioural Competency Framework. More than 300 attended the premiere of our animated film and a link to it was circulated to all colleagues afterwards to make sure everyone was aware of the importance we placed on our new behaviours.

Stakeholder Engagement Workshop

In January 2017 we held a workshop for more than 30 senior managers to raise awareness of stakeholder engagement. It highlighted how important engagement is to their jobs and identified ways in which our Stakeholder Engagement team can give support.

We anticipate that this will not only drive understanding of

the stakeholder engagement process, it will also result in sharpening the focus of various parts of our business on our stakeholders' priorities.

In order to measure the impact of our workshop, we are planning on issuing a stakeholder engagement-related survey on an annual basis.

Colleague Roadshows

Our Quarterly Colleague Roadshows are for business performance updates and two way communication –



something our colleagues told us they valued.

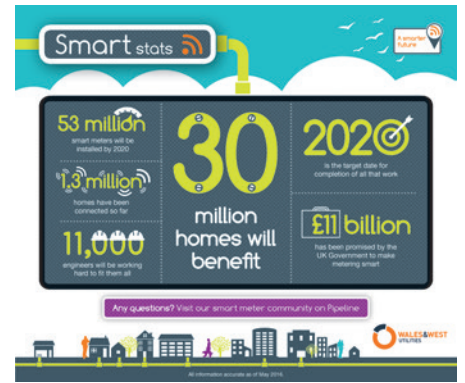
Two roadshows last year focused on stakeholder engagement, reflecting the importance we place on it. 110 colleagues attended the roadshows, and a film was made of the events and shared with all other colleagues. This was all part of embedding stakeholder engagement in our company.

Smart Meter campaign

The Government aims to install a smart meter in every house in the UK by 2020: that's around 53 million meters.

Stakeholders at our locational workshops told us that one of the barriers to the roll out of smart meters was confusion on the part of customers and a lack of knowledge of the benefits.

To address this we created the 'A smarter future' awareness campaign. The aim was to inform colleagues about what a smart meter is and what to look out for if a



customer with one reports a loss of gas supply.

As a result of our campaign the understanding of smart meters amongst colleagues increased by 57%. We're sharing our campaign with other gas networks too.

SUSTAINABLE FUTURE

Independent studies, publications and our Critical Friends Panel highlight the need for us to fully engage on the role of the gas network into the future and we've invested heavily in research projects. They include a unique energy simulator, which is a high-resolution model that simulates future energy supply and demand across a variety of future scenarios. This is supported by customer research on ability and willingness to pay for the energy systems of the future. These pathfinder projects are helping us to assess future energy scenarios and how to address the challenges of providing a secure, affordable and sustainable energy system.

OUR STAKEHOLDERS TOLD US TO:

- Raise awareness of 'green' gas, particularly among farmers and landowners
- Continue to minimise our impact on the environment
- Do more to promote the benefits of alternative gas and target Wales, where take-up has been slow compared to the success we have seen in south west England

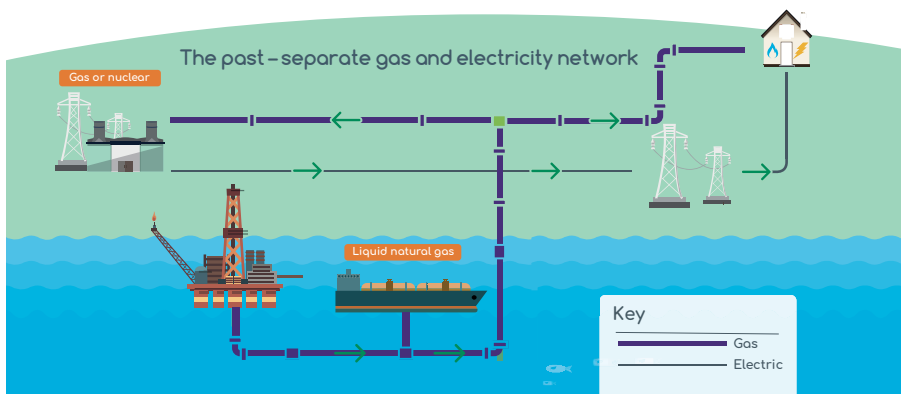
AS A RESULT OF ENGAGEMENT, WE HAVE ACHIEVED 56 OUTPUTS AND BENEFITS FOR AN INVESTMENT OF £53,251.74, INCLUDING:

- Holding an industry-first 'Alternative Gas Workshop'
- Attending and speaking at many conferences, to inform a wide audience of our 'future of energy' work
- Hosting a visit from the Government's Business Energy & Industrial Strategy Heat Team, to discuss our future of energy work

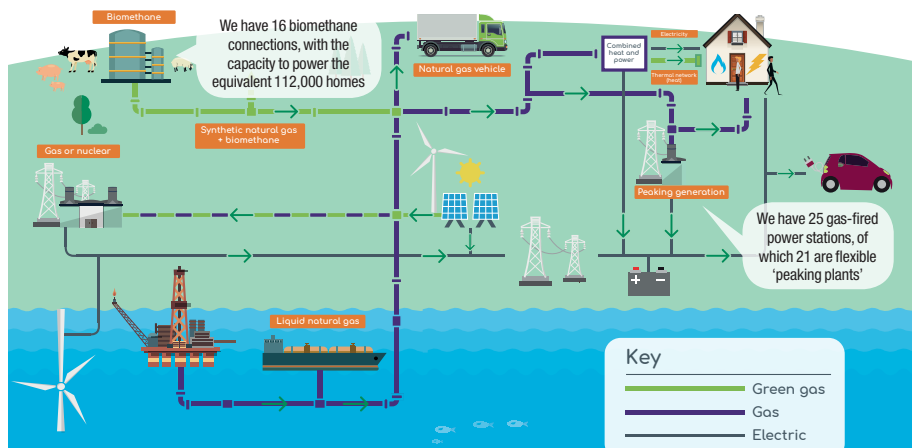
We are also currently investigating how best to set up a Wales alternative gas panel to encourage more green gas connections.

The role of the gas network

For decades, gas and electricity transmission and distribution systems have operated independently, with gas providing the heat source for most homes and businesses, and electricity generation relying on nuclear, coal and gas.



The future - an integrated gas/electricity energy network

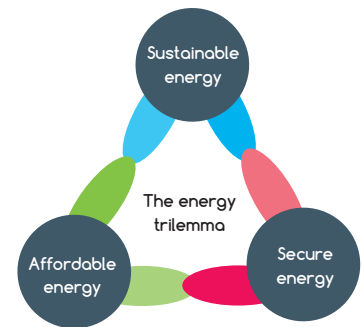


This has become more complex in recent years, with the introduction of renewable sources of energy. Engagement between the gas and electricity networks has undergone a shift change in the move to create a dynamic, flexible integrated energy system to support a greener energy UK.

The gas networks are working together to investigate and share information on the various technologies available to play a role in meeting the challenges of the energy trilemma. An independent report by KPMG was commissioned by the gas networks on their role in Britain's energy future. The report found that evolution of the gas networks, injecting green gas – including hydrogen, can offer significant cost savings against alternative low carbon heating sources.

Alternative gas workshop

We are determined to play our part in resolving the challenges posed by the 'energy trilemma.'



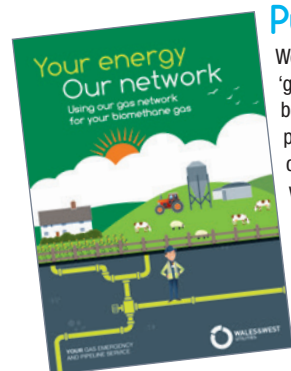
At our locational workshops, stakeholders told us that we should be doing more to raise awareness of our work in this area, so we hosted an industry-first 'Alternative Gas Workshop'. It attracted 64 organisations from across the UK, including the National Farmers Union, developers and landowners, as well as people from academia and energy industry organisations.

The event was chaired by our Director of Asset Management, Safety & Environment and included detailed presentations from our senior managers. There were round table discussions with our stakeholders, hosted by independent facilitators.

Of those who completed our feedback form, 100% said they found our event 'very interesting' or 'interesting' and, so far, 45 attendees have asked us for more information about how to connect their alternative gas to our network. This is helping us to achieve our aim of playing our part in resolving the challenges posed by the 'energy trilemma'.

Improving our impact on the environment

We are continuing to reduce our impact on the environment from gas leakage through our extensive mains replacement programme and proactive pressure management. Last year we invested more than £64 million to replace 437 kilometres of gas mains, reducing leakage by 4% in the year.



Publications

We have created a new 'green gas' connections booklet to simplify the process of applying for a connection. Stakeholders were asked to scrutinise it at our 'Alternative Gas Workshop' and we are re-viewing the feedback before deciding which changes will add the most value.

We have also produced a paper that describes the road to a green energy system to help inform policy makers, government and other interested bodies. We've shared these with our stakeholders at our locational and 'Alternative Gas Workshop', and as our work on the future of energy evolves we'll continue to publish articles and research.

Working in collaboration

In addition to working with the other gas networks, we are engaging with other organisations on future energy system projects. We are working on Flexis, a £25 million European funded Welsh project examining the development of smart energy distribution systems. Our Director of Regulation & Commercial has a place on the advisory panel, providing leadership on the delivery of the project.

Working in partnership with Western Power Distribution, we are jointly leading the FREEDOM project; a £5 million innovation that is addressing the market barrier to adoption of new low carbon hybrid heating.

Together with partners we developed a unique 'energy simulator' that accurately models energy supply and

demand requirements for specific locations. It takes account of the changing needs for heat and power in summer and winter and, with more than 80% of peak time demand being met by the gas network, it highlights the reliance the UK has on gas when renewables aren't generating.

Our work is underpinned by a customer research project on ability and willingness to pay for the energy system of the future.

Community consultation

We communicate closely with stakeholders on complex environmental projects in residential areas. The remediation of an old gasholder and surrounding area in Honiton, Devon, was a sensitive operation in a densely populated area. Through planned, structured and genuine engagement with local people a difficult job was completed without complaint. Similarly, two-way communication with the community in Gunnislake, Cornwall, enabled another tricky remediation project to proceed to local community satisfaction. Another situation where effective engagement delivered mutual benefit.

INNOVATION

We are always looking for new and innovative ways to improve the services we provide to our customers.

OUR STAKEHOLDERS TOLD US TO:

- Promote innovation in the gas industry more
- Collaborate more with other networks
- Look at partnerships to renew the workforce

AS A RESULT OF ENGAGEMENT, WE HAVE ACHIEVED 5 OUTPUTS AND BENEFITS FOR AN INVESTMENT OF £322,655.50, INCLUDING:

- Sharing our innovative ideas at a number of events
- Collaborating with other networks on a number of projects
- Created a partnership to make sure we have a workforce long into the future

Attending events

We had a presence at the 2016/17 Low Carbon Network Innovation conference, which was attended by more than 1,300 people. We displayed five successful projects, distributed information on 33 case studies and learned what other networks have successfully developed – something that stakeholders told us we should increasingly be doing.



Working with others

In 2016/17 we took part in 33 innovation projects – 20 with other network licencees. Additionally, three projects were part of an industry-wide collaboration.

This included development of an innovative tool that we introduced, the ductile iron window cutter, which allows our operational teams to cut a 'window' in iron mains, allowing for a new plastic gas main to be inserted easier and quicker. On average, using this tool saves around 30 minutes per window, meaning the disruption to customers during mains replacement work is reduced, therefore improving the service we can provide.

The wellbeing of our colleagues is also very important to us, so we've introduced a tool called a Hornet Rock Drill. This tool is lightweight and easy to move, and reduces the vibrations our operational colleagues would experience if using a pneumatic drill. Feedback from our colleagues has been positive, as it reduces vibration from 15m/second to 2.5m/second which we expect to significantly reduce the hand-arm vibration experienced by our operational colleagues in the future.



Our colleagues are vital to the success of our company now and in the future, and we always want to make sure they have the skills needed to provide the best experience. The energy and utilities sector needs

221,000 new recruits by 2027, to provide the essential services customers seek and the infrastructure the UK needs for economic growth.

Stakeholders at our locational workshops suggested we work with partners to help us do just that – and we have. In partnership with Energy & Utility Skills and other utilities and contractors we've created the first joint Workforce Renewal and Skills Strategy for the sector.

The Strategy makes steps towards making sure the UK's energy and utilities sector retains a safe, skilled, resilient and sustainable workforce. It sets out for the first time, in one place, the reality of the challenges faced, immediate initiatives underway and the shared ambitions of moving towards achieving a more sustainable future.

This Strategy focuses to 2020, and then will continue to evolve as the Skills Partnership, working with our key stakeholders, interest groups and other sectors to deliver an extensive programme of change and co-operation.

To make sure our colleagues have the skills they need for the future, so we can continue to deliver outstanding customer service, we have a comprehensive skills development programme in place. Last year we recruited 24 apprentices and two graduates – our engineers of the future, as part of a total recruitment of 127 new colleagues. Our internal coaching programme, where 24 coaches pass on their experience, supports the future-proofing of colleagues skill-sets, while developing people to their full potential.

GOVERNMENT AND PARLIAMENT

It's important that we build relationships and awareness with key political influencers. It enables us to be considered a trusted and expert voice to be called upon for advice on energy-related subjects.

OUR STAKEHOLDERS TOLD US TO:

- Engage more with politicians

AS A RESULT OF ENGAGEMENT, WE HAVE ACHIEVED 13 OUTPUTS AND BENEFITS FOR AN INVESTMENT OF £68,280, INCLUDING:

- Political perceptions audit
- Attended parliamentary events

Political influencers

Stakeholders want us to build relationships with politicians and, through our attendance at meetings such as the All Party Parliamentary Carbon Monoxide Group (APPCOG), we do just that. We aim to build relationships and influence policy – such as insisting that landlords install carbon monoxide alarms in all rooms that contain fixed combustion devices in England and Wales.

Political perceptions audit

We commissioned an independent political perceptions audit of 27 political stakeholders, including MPs and AMs.

It showed a clear appetite from the stakeholders to engage more with us on a range of topics, including the future of energy and social obligations. We are building this into our future programme of engagement.

Fuel Poverty & Energy Efficiency

The Fuel Poverty & Energy Efficiency Group is a coalition of cross-party MPs and industry stakeholders. During the year we attended an event in Parliament, and sponsored the annual dinner, which gave us an opportunity to raise awareness of our services for customers in vulnerable situations.

OUTPUTS AND BENEFITS TABLE

CUSTOMERS IN VULNERABLE SITUATIONS

SOURCE	COST (£)	OUTPUTS	ACTIONS	BENEFITS
Workshop	100.00	1	More targeted approach to CO alarm distribution	Provided CO alarms to 400+ people in Rhiw, Bridgend – targeting a CO 'hot spot' area
Workshop	800.00	1	Gas safety advert in Wales Council for the Blind magazine	1,250 copies distributed annually, raising awareness of gas safety to a vulnerable stakeholder group
Workshop	2,000.00	1	Advert in Age Cymru's Ein Llais magazine	900 copies distributed, raising awareness of gas safety and support measures to older stakeholders
Workshop	150.00	1	Bi-lingual gas-safety advert in Cardiff Met University's newspaper	2,000 copies distributed, raising awareness of CO and gas safety to a vulnerable stakeholder group
Workshop	350.00	1	Bi-lingual gas safety advert in Wychwood festival programme	4,000 copies distributed, raising awareness of gas safety
Workshop	350.00	1	Bi-lingual gas safety advert in Urdd Eisteddfod programme	10,000 copies distributed, raising awareness of gas safety to various stakeholder groups
Workshop	2,000.00	1	Carbon monoxide safety message placed on caravan passes at the Royal Welsh Show (2,360 issued)	Raising awareness of CO safety to various stakeholder groups
Workshop	7,535.27	11	Hosted a Vulnerable Customers Forum, attended by 12 stakeholders	11 recommendations, including: share PSR information with other utilities and review Warm Pack contents
Vulnerable Customers (VC) Forum	N/A	1	£10 meal vouchers available for customers during emergency situations	Customers don't have to wait for their expenses to be reimbursed
VC Forum	0.00	1	Data-sharing agreements for PSR sharing with Scottish & Southern Energy, Western Power Distribution and Dŵr Cymru Welsh Water	Working towards a 'one-stop shop' for signing up customers to priority services
VC Forum	0.00	1	Expanded and increased Fire & Rescue Services partnerships	Improved targeting of safety messages and support measures to hard-to-reach stakeholder groups
VC Forum	2,290.00	1	Created a new 'Partners Pack'	Provided clear and consistent safety information as well as the support measures we offer to customers in the most vulnerable situations
VC Forum	14,814.00	1	Continued partnerships with LifeSkills (south west) and DangerPoint (north Wales)	Promoting CO and safety messages to schoolchildren and vulnerable adults. Last year DangerPoint had 6,589 visitors and LifeSkills 7,912
VC Forum	2,605.00	1	New CO safety leaflet designed	More engaging and easier to understand CO safety advice (and is included with every CO alarm we distribute)
Audit/workshop	9,603.76	1	First gas network to gain the British Standard 18477	Validates our commitment to putting our customers first, especially those in the most vulnerable situations
Workshop	17,955.00	1	PSR sign up available through colleague phone app	Easier for our colleagues to sign customers in the most vulnerable situations to the PSR (165% increase on 2015/2016)
Workshop	0.00	1	In-house vulnerable customer training	Over 100 sessions across 19 depots, for 1,250 customer facing colleagues has improved awareness of signs of vulnerability
Workshop	0.00	1	33 referrals to social services (27) and Cardiff-based charity, Speakeasy (6)	Helping customers receive the additional support they need
Workshop	45,000.00	1	Trialled Fuel Poor Hubs in Cardiff and Flintshire	226 people received energy and financial advice
Workshop	0.00	1	Improvements to new connection system, CRM, to identify customers for free gas connections through Warm Home Assistance scheme	Encourages customers to take advantage of free gas connections
Workshop	0.00	1	Dementia awareness courses for 108 customer service colleagues	Improving interactions for customers with dementia. PSR coding improved and updated literature
VC Forum	643.32	1	Braille, audio and large print versions of all customer communications available on request and gas safety information in sign language on our website	We want to make sure our communications are accessible to all, especially customers in the most vulnerable situations
VC Forum	68,080.00	1	Refreshed 'Keep Warm' Packs for people in vulnerable situations during gas supply interruptions	We distributed 4,600 Warm Packs last year – providing items that our customers in the most vulnerable situations need most during gas emergencies
Workshop	1,035.00	1	Attended 17 events to promote our Warm Home Assistance scheme	Improving awareness of the scheme and other support measures
Workshop	3,277.00	1	Redesigned our Warm Home Assistance booklet	More accessible and easy to understand information for our customers
VC Forum	150.00	1	Provided 150 thermometers to new mothers with gas emergency number	Raising gas safety awareness to a vulnerable group of stakeholders
Workshop	10,715.00	1	Revised CO strategy and created a new online CO-awareness campaign	The COdebreakers CO super heroes improve online CO messaging to reach a wide audience
Workshop	63,533.76	1	Distributed 5,496 CO alarms	Helping people in the most vulnerable situations to stay safe in their homes
VC Forum	5,650.85	1	Purchased 97 oil-filled radiators and 68 microwaves and pan sets	Improving support measures for customers in the most vulnerable situations, in the event of a loss of gas supply
VC Forum	68,018.50	1	123 free of charge meter alterations	Making sure customers in the most vulnerable situations can access their gas meters
Workshop	63,285.30	1	Presence at the Royal Bath & West Show and Royal Welsh Show to raise awareness of CO	More than 370,000 visitors attended these shows in total and we provided 2,456 CO alarms
Collaboration	43.18	1	Locking Cooking Valve installation promoted through partnerships	Supporting customers in the most vulnerable situations to remain independent in their homes
VC Forum	1,800.00	1	Hardship fund promotion	7 customers in the most vulnerable situations have been provided with financial support
Workshop	5,000.00	1	Initiated the first multi-utility gas, electricity and water conference – Stronger Together – with fuel poor partner Warm Wales	Investigating a multi-agency approach to supporting customers in the most vulnerable situations and further developing partnerships

CUSTOMERS – DOMESTIC AND NON-DOMESTIC

SOURCE	COST (£)	OUTPUTS	ACTIONS	BENEFITS
Critical Friends Panel (CFP)	31,299.12	20	4 Critical Friends Panels, attended by 29 stakeholders	20 recommendations identified, including: New CO strategy, alternative gas workshop
Workshop	111,574.58	39	4 locational workshops, attended by 107 stakeholders in total	39 recommendations identified, including: New partnerships and Vulnerable Customers Forum
Workshop	5,000.00	1	Reviewed and expanded our stakeholder database (2,190)	Includes a broader and more inclusive range of stakeholders
Workshop	5,250.00	1	Independent DNO/GDN stakeholder benchmarking report	Provided insight to help improve stakeholder engagement
Research	12,442.98	1	Perception research involving domestic and business customers (1,056)	Provided insight into how we are perceived to improve engagement content and channels
Audit	5,000.00	1	Institute of Customer Service ServiceMark reaccreditation	Distinction rating of 90.4 puts us ahead of John Lewis and Amazon and shows our commitment to providing excellent customer service
Social media	0.00	1	More people trained to interact with customers through social media	Online customer service is available 24/7, so customers' queries are dealt with when it suits them
Workshop & CFP	11,700.00	1	Revised stakeholder reporting to a condensed report	Key performance updates available in easy-to-understand format, in print and interactive online
Customer contact	0.00	1	New complaints dashboard – utilising our 'Insight' tool	Faster complaints response, improving customer communications
Workshop	21,000.00	1	Alva media monitoring annual report	Perception insight, identifying opportunity to improve communications content
Customer contact	18,894.00	1	New Connections application forms and information packs	Customer feedback: forms are 'easy to fill out' (97%); Are 'easy to understand' (95%)
Customer contact	5,769	1	Revised, redesigned and simplified gas mains replacement (REPEX) communications suite	Letters, leaflets and booklets are now easier to understand and more engaging
Workshop	916.15	1	Apprentice and graduate online recruitment campaigns	The targeted, online approach led to 923 applications for 23 jobs – a 64% increase on previous year
Best practice	0.00	1	Daily customer service complaint teleconferences	17% increase in complaints resolved in 24 hours to 81% (2015/2016, 69%)

OUTPUTS AND BENEFITS TABLE

CUSTOMERS – DOMESTIC AND NON-DOMESTIC				
SOURCE	COST (£)	OUTPUTS	ACTIONS	BENEFITS
Customer steering group	0.00	1	Customer feedback on completion of work by text	Immediate feedback from customers helps resolve problems quicker
Workshop	0.00	1	Continued focus on identifying the theft of gas	Recovered more than £630,000 to reduce the overall transportation costs for customers
Customer steering group	6,400.00	1	Customer Service team issued with laptops – and out-of-hours mailbox created	Improved service for our customers and improved resilience in times of emergencies
Customer Feedback	3,000.00	1	'Drop-in' events for high-profile gas mains replacement schemes	Customers affected by our work have opportunities to ask questions and seek reassurance on the impact on them
Workshop	33,000.00	1	Emergency Customer Support vehicle purchased	Focal point of contact for customers during emergencies
Customer Feedback	0.00	1	Created four new Customer Support Officer roles, following a successful 12 month trial	Improved communication with customers and communities during high-profile gas pipe replacement schemes
Best practice	789.50	1	Hosted a best practice showcase event with the Institute of Customer Service	Shared our customer service best practice 'secrets' with 44 organisations
Workshop	10,107.38	1	Promoted CO Schools Safety competition through multiple channels, including social media and letters direct to schools	317 entries were received, 446% more than last year. More than 147,000 people saw our post on Facebook plus direct contact with more than 2,500 schools
Workshop	62,820.00	1	New branding rollout started on 48 operational vehicles	Raising awareness of our brand and the national gas emergency number
CFP	0.00	1	Moved Stakeholder Engagement team into People & Engagement directorate	Increased communications resources to improve stakeholder engagement management
CFP	13,025.00	1	Reviewed and increased membership of Critical Friends Panel	More than 20 Critical Friends Panel members, from a broad and inclusive range of backgrounds
Audits	4,912.11	1	We successfully gained and renewed certification for the standard for Asset Management ISO 55001	Demonstrates a strategic approach to the management and operation of our assets
Audits	11,936.00	1	We were awarded the OHSAS 18001 standard	Demonstrates our continued commitment to keeping colleagues safe
EMERGENCY RESPONSE				
SOURCE	COST (£)	OUTPUTS	ACTIONS	BENEFITS
Workshop	7,000.00	1	New Emergency web page created	Providing customers easy access to all information during emergencies
Workshop	0.00	1	Increased capacity of call volumes of telephone system	Improving availability when our customers need us
Sharing best practice	0.00	1	Hosted a 'best practice' event at IGEN	Shared best practice and learnt from the experience of others about large-scale gas emergencies
Sharing best practice	0.00	1	Attended a Network Rail 'Safety Day'	Promoted CO safety awareness to 40 Network Rail colleagues
COLLEAGUES				
SOURCE	COST (£)	OUTPUTS	ACTIONS	BENEFITS
Colleague Engagement	2,776.70	1	8 CEO-led 'Colleague Roadshows' in the year, two focused on stakeholder engagement	CEO-led stakeholder-focused roadshows attended by 110 colleagues filmed for 113 managers to cascade through our business
Colleague Engagement	4,605.00	1	Investors In People Silver Level	Benchmarked against this international standard, putting us in the top 5% of companies with silver level
Colleague Engagement	13,624.45	1	Internal Stakeholder Engagement Strategy workshop for 32 managers	Sharpened focus of our business on stakeholders' priorities.
Colleague Engagement	23,604.14	1	New Behavioural Competency Framework	Aligned to our values, with specific reference to the importance of stakeholder engagement.
Awards	N/A	1	Our graduate scheme was recently accredited once again by IMechE & IGEN	Accreditation gives our graduates and customers confidence in our ability to train the engineers of the future
Workshop	14,321.00	1	Internal Smart Meter awareness campaign	Improved colleague understanding of smart meters to minimise the impact the roll out might have on the service we provide.
SUSTAINABLE FUTURE				
SOURCE	COST (£)	OUTPUTS	ACTIONS	BENEFITS
Workshop	0.00	1	Attended future of energy conferences throughout the year	Informed a wide audience about our future of energy work
Workshop	39,149.55	47	Alternative Gas Workshop	64 delegates from across the UK discussed connecting low-carbon sources to our network. More than 45 direct requests to investigate new biogas connections to our network as a result
Workshop	9,602.19	7	Held a Future Bill Payer workshop (13 attendees)	7 recommendations identified. Provided us with insight into future customers' understanding of the industry and preferred engagement channels
Workshop	4,500.00	1	Made links with academia and started a project with the Knowledge Economy Skills Scholarships (KESS) initiative	Sponsored a Phd student to research biomethane, a key business and stakeholder priority
INNOVATION				
SOURCE	COST (£)	OUTPUTS	ACTIONS	BENEFITS
Workshop	0.00	1	Colleague innovation survey	Raised awareness of innovation in our business and creation of 44 Innovation Champions to embed innovation across our business
Workshop	3,767.50	1	Partnership with Energy & Utilities Skills	Created first ever joint Workforce Renewal and Skills Strategy to support future workforce sustainability
Customer Feedback	143,508.00	1	Purchased a new 32-tonne tipper grab lorry	Reduces the impact of our work on customers and improves efficiency
Customer Feedback	112,380.00	1	Purchased 30 Ductile Iron Window Cutters	Improves efficiency, saving 30 minutes per window
Conference	63,000.00	1	Attended the Low Carbon Network Innovation event	Opportunity to promote our innovations and help seek to overcome certain business challenges
GOVERNMENT AND PARLIAMENTARY				
SOURCE	COST (£)	OUTPUTS	ACTIONS	BENEFITS
Workshop	370.00	1	Engagement with over 140 MPs and AMs across our area at various times during the year.	Includes Performance updates and winter preparedness mailouts. Increases awareness of our operations with politicians
Workshop	9,000.00	1	Sponsored a summer event in the House of Lords	Opportunity to raise awareness of future of energy challenges to 130 all-party parliamentarians
Workshop	20,000.00	1	Quarterly All Party Parliamentary Carbon Monoxide Group Meetings	MP-chaired forum identifies ways to share best practice with other GDNs and influence policy
Workshop	12,000.00	1	Sponsored the All Party Parliamentary Fuel Poverty and Energy Efficiency Group annual dinner	Opportunity to raise awareness of fuel poverty and the support measures we can provide to customers in the most vulnerable situations
Workshop	18,000.00	8	Perceptions Audit of key political stakeholders (27 stakeholders)	Gained a better understanding of our perception with a key stakeholder group, to help shape our future engagement programmes with government
Workshop	8,910	1	Started issuing weekly Political Monitoring insight in January 2017	Ability to respond to key government initiatives
TOTAL	£1,281,739.29	212		

Joint GDN Stakeholder Submission Appendix 2017

As Gas Distribution Networks we continue to actively collaborate to deliver valuable outcomes for our stakeholders. Our collaborative Discretionary Reward Scheme (DRS) submission to Ofgem will be published in May 2018 and highlights the benefits of working collaboratively as four GDNs, building on the work from the [2015 DRS submission](#) and the collaborative appendix issued with our Stakeholder Engagement Incentive (SEI) submissions last year. This document provides an annual update on the collaborative working undertaken during 2016/17.

We remain committed to working together to find solutions that benefit customers and stakeholders and ensure leading performance within the industry, where exceptional outcomes are achieved and can be regarded as best practice and replicated across the industry. Much of our work is co-ordinated and supported by the Energy Networks Association (ENA). ENA provides us with a conduit for effective collaboration, information sharing and political and technical policy development between all networks and industry stakeholders.

Our collaboration and joint commitment is focussed on:

- Supporting and protecting the communities we live and work in, and minimising our wider impact on the environment;
- Going beyond what is expected of us, exceeding both our social and moral responsibilities and collaborations that extend to expert organisations and other sectors.

Our ongoing collaborative work on various topics means we are able to achieve so much more than working independently. This has contributed to:

- **Effectiveness.** Effectively communicating consistent messages to national, regional and local audiences, whether that is lobbying for policy change or becoming more accessible to our stakeholders through our partnerships.
- **Efficiency.** Sharing the costs of activities and lobbying, developing joint communications and activities, ultimately delivering outcomes efficiently for customers.
- **Best practice.** Sharing experiences to understand the best approaches. This prevents us from repeating mistakes and enables far more efficient ways of working.

We've been working collaboratively since network sales in 2005, delivering great outcomes and benefits from our work for our stakeholders, across a range of issues. The tables in this document provide some key collaborative outcomes and benefits in the following three areas:

- **Social:** alleviating fuel poverty and supporting vulnerable customers.
- **Carbon Monoxide Safety:** Promoting awareness and prevention of Carbon Monoxide (CO) poisoning.
- **Ensuring a sustainable future:** Working together to tackle the energy trilemma; sharing environmental best practice; research and demonstration projects for the challenge of the decarbonisation of heat; delivering and sharing innovation, providing current and future benefits for customers. To comply with the requirements of the Climate Change Act, the UK must reduce its carbon emissions by 80% by 2050. In addition, the energy requirements of the country must be met at an affordable cost for energy consumers.

The requirements of ensuring security of energy supply at an affordable cost, while ensuring a low carbon energy future, the so-called energy trilemma, are being investigated on a collaborative basis by the gas networks, and also in collaboration with electricity networks, as the two energy networks continue to become ever more interdependent.

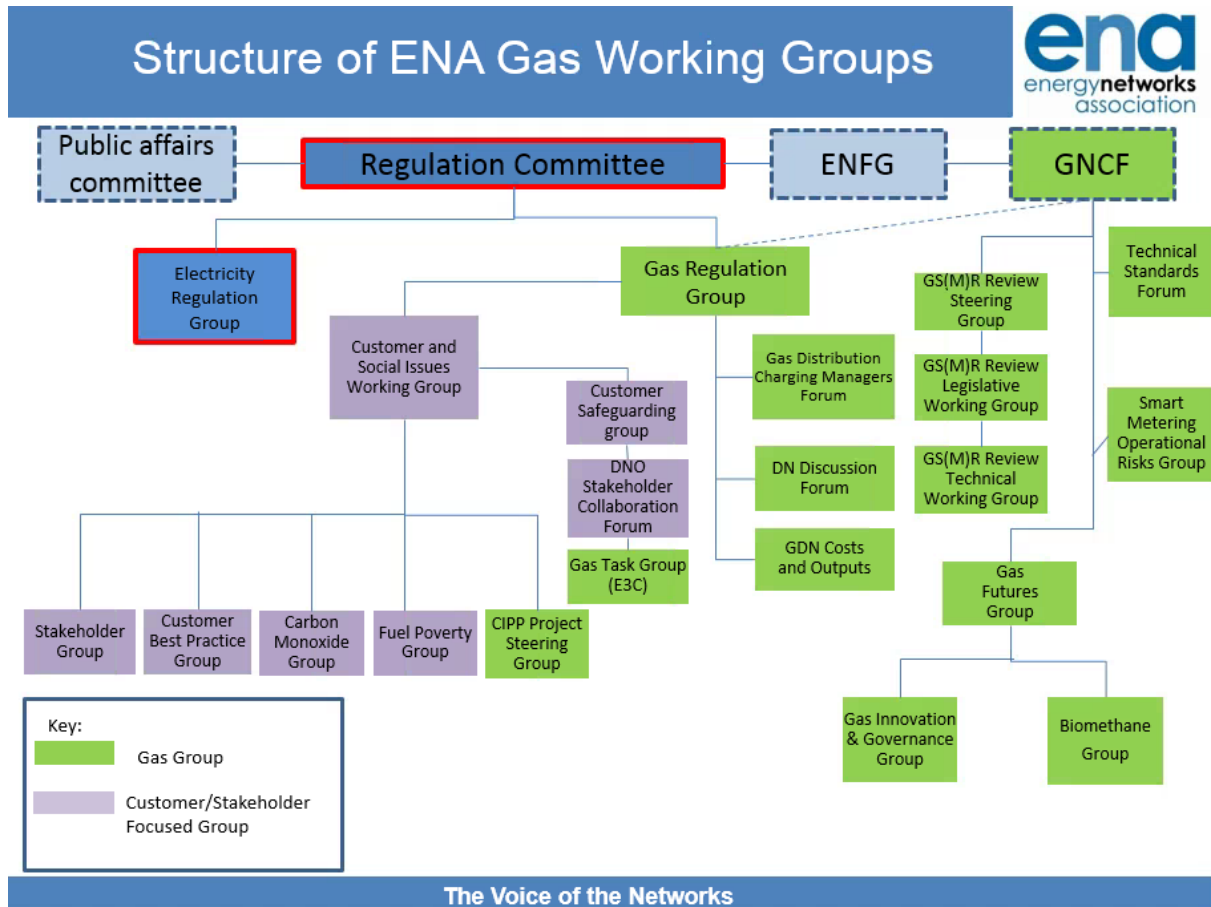


Figure 1: Diagram showing the structure of ENA gas working groups

Our collaboration highlights

Helped secure **£25m** for Local Authorities to support house measures, resulting in **4,000** new heating installations.

Joint winners of the **Heating & Ventilation News Safety Initiative of the Year Award** for 2016 with CO-Gas Safety.

Launched the **CO Charity Fund**, offering grants of up to **£2,000**.

535 additional customers referred to the **Fuel Poor Network Extension Scheme** since May 2015.

674 entries in 2015/16 to the CO schools poster competition.

Current connected capacity of **biomethane** has the ability to power over **277,000** homes.

1. Social: Alleviating Fuel Poverty and Protecting Vulnerable Customers
GROUPS – ENA co-ordinated GDN Fuel Poverty Best Practice Working Group, Off Gas Grid Group and Fuel Poverty Action Sub-Group

The GDNs recognise that we have an important role to play in helping to alleviate fuel poverty in the UK. The Fuel Poverty Network Extension Scheme (FPNES) allows us to install first-time gas connections into the homes of those living in fuel poverty. However, our activities extend beyond this scheme to also help raise awareness and support those who are affected by this issue.

Key areas of focus	2016/17 Outcomes and Benefits
<p>To engage with BEIS to raise concerns over the lack of financial assistance to pay for central heating systems available to those living in fuel poverty; and effectively communicate that this is having a detrimental effect on meeting GDN fuel poverty targets.</p> <p>Having previously helped ensure the successful roll-out of the DECC Central Heating Fund by requesting alignment of qualification for this scheme with the Fuel Poverty Network Extension Scheme (FPNES), the GDNs continue to campaign on the issue of lack of funding for in-house heating measures available to low income households.</p>	<p>A fund of £25m made available to local authorities in England and Wales was used to fund whole-house solutions for fuel poor customers, which resulted in 4,000 new heating installations.</p> <p>In December 2016 the GDN’s invested over £12,500 to commission the NEA to provide a research report into the success of the FPNES under different funding conditions for central heating systems.</p> <p>The NEA report ‘In from the cold’ was submitted to BEIS in February 2017, along with supporting letter from the GDNs requesting £37.5m in funding to be allocated in March 2017 spring budget. This proposal was for the GDNs to utilise this funding over the 18 month ECO transition period for central heating systems in homes qualifying under the FPNES. The application was unsuccessful, however BEIS have intimated that re-application should be submitted in advance of the autumn budget.</p>
<p>To engage with BEIS and the Energy Saving Trust to provide a referral scheme for customers who do not automatically qualify for the Warm Homes Scheme but where they may benefit from the Fuel Poor Network Extension Scheme (FPNES), assisted by regular dialogue and monthly meetings.</p>	<p>535 additional customers referred to FPNES since the launch of the scheme in May 2015, resulting in 161 extra fuel poor gas connections, 51 of which were installed in 2016/17.</p> <p>More joined up services for fuel poor customers, coordinated by partner organisation YES Energy Solutions on behalf of all GDNs.</p>
<p>GDN main sponsor of NEA’s quarterly Focus magazine, a publication aimed directly at those communities who can benefit most from schemes including the FPNES.</p>	<p>Sponsorship has given stability to the magazine and allowed for its development and expansion. The GDNs have used this publication to publish a prominent full page advert for the fuel poverty connections scheme. In addition, a full page editorial on each GDN’s fuel poverty activities has featured in the magazine. Further</p>

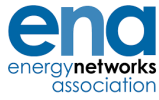
	<p>development will entail rotating responsibility among the GDNs to create individual full page stories on this topic.</p> <p>NEA's Focus magazine has also been used by the GDNs to periodically advertise additional initiatives available to customers in vulnerable situations, such as the Locking Cooker Value.</p>
<p>To engage with landlords to highlight the opportunities for assisted connections to reduce the energy bills of their tenants by converting to gas.</p>	<p>Advertising in the National Landlords Association magazine where key messages reach a circulation of more than 20,000 private landlords in the UK.</p>
<p>To collaboratively sponsor, support and attend events on alleviating fuel poverty and protecting vulnerable customers.</p>	<p>Sponsoring and exhibiting at the Fuel Poverty and Energy Efficiency Group (FPEEG) dinner, which was attended by 81 delegates, including 11 MPs and 2 Peers. A representative from the GDNs provided the key note speech at the FPEEG dinner calling, for government to provide funding for central heating systems in fuel poor households and set timescales for eradication of fuel poverty. This event further raised awareness of our collaboration and the potential to deliver benefits to customers locally and support the national target to eradicate fuel poverty.</p> <p>Joint exhibition stand at the national NEA conference.</p>
<p>To work with the NEA to conduct controlled trial of two energy savings devices: Tadpole and Chop Cloc. Funding costs of these trials met collaboratively by the GDNs, who are reviewing the next stage of support for energy saving devices in anticipation of a positive outcome from these trials.</p>	<p>Trials of both devices underway. Completion and results will be available summer 2017.</p> <ul style="list-style-type: none"> - Tadpole device is designed to make central heating more efficient by removing air from the pressurised system. - Chop Cloc reduces energy usage by allowing the user to have better control of the heating thermostat. <p>The next phase of this project will involve GDNs identifying potential projects for installing low cost devices in fuel poor and off gas grid households, working collaboratively with local authorities and/or housing associations directly where fuel poor customers will benefit from lower energy bills.</p>
<p>To continue to support District Heating Schemes (DHS), where appropriate, to help lift customers out of fuel poverty.</p>	<p>District Heating Scheme currently being installed in two tower blocks in Scotland containing a total of 172 flats. The project is due to be completed by August 2017.</p> <p>A further tower block containing 50 flats has</p>

	<p>undergone the planning stage in 2016/17, and is due to commence in May 2017. Experience of District Heating Systems has subsequently been shared between all GDNs.</p>
<p>To engage with stakeholders in the healthcare sector to raise awareness of the opportunity to use the FPNES to assist in lifting individuals and families out of fuel poverty, which potentially brings multiple health benefits.</p>	<p>Attended Faculty of Medical Health annual conference in Brighton to engage with stakeholders from the healthcare sector.</p> <p>Engagement with prominent members of NHS Scotland and England.</p> <p>Full page advert promoting FPNES in annual awards dinner schedule (the only featured advert), and provided sponsorship for listing of awards ceremony.</p>

b. Social: Safeguarding customers in vulnerable situations
GROUPS – Safeguarding Customers Working Group via the ENA

As an industry, we can work together to plan and respond to the needs of our customers to keep them safe and warm, no matter what their circumstances. Throughout the past twelve months, there have been numerous outputs progressed through GDN collaboration supporting wider industry work.

Key areas of focus	Outcomes and Benefits for 2016/17
<p>To create a standard set of verbal principles to ensure all GDNs and the industry is consistent in how explicit informed consent is gained from customers at the point of their registration.</p>	<p>Connecting customers to our services in a fair and equal way is something we are all passionate about. The creation and implementation of these easy to use principles provides best practice and consistency. It was through the pulling together of the discussions and outputs of the Safeguarding Customers WG that GDN members were able to group the building blocks that have since become the verbal principles.</p> <p>The use of principles rather than scripts allows for cultural and regional differences in terminology to be incorporated, allowing for a more meaningful use across our businesses. We are working together to share examples of good practice to support individual training programmes.</p>
<p>To create a Priority Services Register (PSR) that supports the Information Commissioner Officer's eight principles of privacy law and is based upon the idea of the direct debit guarantee which is recognised worldwide.</p>	<p>We have created a plain English PSR promise which allows customers to understand easily how their information will be used when they sign up to the PSR and gives them confidence and reassurance from the beginning of the process. Having a single version of the promise also allows the energy industry to have a consistent approach, so customers receive the same experience regardless of the company.</p>
<p>A commitment to implement the Locking Cooker Valve programme across all GDN's.</p>	<p>All of our networks now offer this service and are working hard to promote it. The feedback from this simple device has been very positive and is without question making our customer's homes safer.</p> <p>This initiative will continue over the next year, with a view to ensuring that all appropriate organisations and charities are aware of this crucial service.</p>
<p>To do more to support customers in vulnerable situations with a focus on ensuring our services are accessible for our deaf customers.</p>	<p>Working with the Royal Association for Deaf People (RAD), we have jointly commissioned the creation of three films which helps those who are deaf understand what to do if they smell gas, are without power or want to register upon the PSR. These films are now readily accessible</p>



	though our individual websites, and we are in the process of tracking the number of views/hits so we can assess their effectiveness before discussing our next steps.
Continue to support the SMART metering roll-out across the UK.	We have worked together and shared our approaches to managing our business as usual processes during Smart Metering roll out, ensuring that there is no impact to safety or the customer experience

2. Carbon Monoxide (CO) Awareness

GROUPS – GDN CO Awareness Best Practice Working Group via the ENA

Carbon Monoxide (CO) is an odourless, colourless and tasteless gas, which on average results in 200 people being hospitalised and 40 fatalities in the UK each year. The GDNs continue to raise awareness on the dangers of CO and do this through employing a range of initiatives.

Key areas of focus	Outcomes and Benefits 2016/17
<p>To raise awareness on the dangers of CO to primary school children. We have launched an education campaign with our super hero, Safety Seymour. Targeted at key stage 1 school children, the daylong session takes place in schools and aims to educate on the dangers of CO whilst having fun.</p>	<p>We have delivered the session in over 48 schools which fall into CO hot spot areas, where there is a high number of reported carbon monoxide incidents, and in 56 individual classes which has reached in the region of 1700 children. We are supporting each other with training and the implementation and will continue the roll out of Safety Seymour into 17/18.</p> <p>Carbon monoxide (CO) poisoning awareness charity CO-Gas Safety together with the GDNs across the UK, have won the Heating & Ventilation (H&V) News Safety Initiative of the Year Award for 2016.</p>
<p>To inspire change in CO safety behaviour. As a result we have launched our CO schools poster competition. It remains targeted at key stage 1 and 2 school children and complements our Safety Seymour campaign. Children can submit their pictures, poems, and videos to regional judging panels which then go to a national final to decide on the overall winner.</p>	<p>Through collaboration with ENA and ourselves we have used social and traditional media to raise awareness of the national competition and reach a higher number of entries than ever before. Last year we saw a total of 674 entries, with an award ceremony at the Palace of Westminster in June 2016, which will take place again in June 2017.</p>
<p>To find innovative ways in which we can raise awareness and promote further key messaging around the detection of CO across our networks. This year we have launched a Carbon Monoxide (CO) Charity Fund to further support this.</p>	<p>The Carbon Monoxide (CO) Charity Fund invites UK charities and organisations to apply for funding to support their CO related initiatives. We are currently considering the applications received for this year and will potentially award one-off grants up to the value of £2,000 from the fund of £10,000.</p> <p>We have had 4 responses from RoSPA, Angus Care and Repair, CO Gas safety and Dominic trust which are currently being considered.</p>
<p>To create and share consistent messages. Working together helps us reach more people, trial more innovative ideas, measure them in a consistent and meaningful way to enable best practice and, through doing this, change behaviour.</p>	<p>In 2016/17 our schemes delivered:</p> <ul style="list-style-type: none"> • 113, 256 survey responses • 26,346 CO alarms given to vulnerable customers; • 8.99 average rating of CO awareness following our Interaction (on a scale of 1-10) • 24.6% increase in CO awareness as a result of our interaction

To continue to promote the importance of awareness of CO with political decision makers. We have continued our membership of the All Party Parliamentary Carbon Monoxide Group to support this.

We have liaised with Members of Parliament (MPs), Members of Scottish Parliament (MSPs) and Assembly Members of the Welsh Government (AMs) to raise awareness and we also look to develop measures to reduce the risks of accidental harm caused by exposure to CO, totalling 13 events, meetings and panel discussions held in Westminster under the banner of either the CO All Fuels Action Forum and the All-Party Parliamentary Carbon Monoxide Group. 13 mentions in House of Lords and House of Commons debates & written questions submitted to relevant departments on the subject of CO following our interactions with them. Two new MPs recruited as APPCOG Co-chairs – Margaret Ferrier and Margaret Ritchie

3. Ensuring a sustainable future

GROUPS – ENA co-ordinated Gas Futures Group (GFG); Gas Innovation and Governance Group (GIGG) and Environmental Working Group

Sustaining our future is a strong theme for all of the networks. We focus on sharing environment best practice, decarbonisation of heat gas and meeting the challenge of the energy trilemma in line with the needs of our customers. Collaborative emphasis for sustaining our future has also focused on environmental best practice, and reducing the environmental footprint of the networks.

Key areas of focus	Outcomes and Benefits 2016/17
<p>To commission an independent study on the role of the gas networks in Britain’s energy future, alongside an analysis of potential alternative scenarios and potential energy solutions which could offer a solution to the energy trilemma.</p>	<p>We, along with National Grid Gas Transmission (NGGT), Brookfield Utilities and Gas Networks Ireland, commissioned KPMG to carry out the study (a joint investment of almost £147,000). In July 2016, KPMG published: 2050 Energy Scenarios: <i>The UK Gas Networks role in a 2050 whole energy system</i></p> <p>The report evaluated a full range of scenarios to represent how the energy system may develop to 2050, and identified policy initiatives to realise the benefits emerging from this analysis. The report finds that evolution of the gas networks, injecting green gas such as hydrogen into the grid, offers significant cost savings against alternative low carbon heating sources. Gas is least expensive option for customers to achieve 2050 CO₂ carbon reduction targets.</p> <p>It also says that transport decarbonisation policy needs to be integrated with power and heat decarbonisation policy.</p>
<p>To engage with stakeholders to share information regarding our energy futures messages.</p>	<p>We have carried out several events this year to engage with key stakeholders to share information regarding our energy futures messages, these have included:</p> <ul style="list-style-type: none"> • A joint event with the All Party Parliamentary Renewable and Sustainable Energy Group (PRASEG), focussing on gas delivering for customers and supporting the low carbon economy. • Future of Gas Awareness showcase in July. The purpose of this event was to raise awareness amongst Ofgem staff of the gas networks and their future important contribution to the UK economy.

	<ul style="list-style-type: none"> • In April 2016, ENA and Geode (a European Trade association that represents distribution system operators from most member states) held an event in the European Parliament to launch a report on green gas that all members of the GFG contributed to. The event brought together industry representatives and key policy makers from across Europe to discuss the ‘energy renaissance’ which gas is undergoing, and the long term role that green gas can play in meeting demand in an affordable, secure and sustainable energy future. • An ENA and Utility Week roundtable on the future of heat in the House of Commons on 2nd March. • Energy Utility Alliance National Conference – brought the gas industry and other influential stakeholders together with supply chain representatives. Issues discussed included key themes of the energy trilemma and how it is being tackled, together with expert opinion from leading think tank academics. <p>Reached and influenced more than 60 MPs, advisors and other key stakeholders.</p> <p>Asked to help the Shadow Energy Team in developing a “Green Gas Book”. This is a publication dealing with policy and practical aspects of the development of green gas, particularly Biomethane and Hydrogen, as a key element of the energy mix over the coming years.</p> <p>Participating in these events allow us to present our key innovation projects and the case for the gas networks to play a central role in our energy future to a select group of policy makers and influencers.</p>
<p>To engage and build relationships with key policy makers and raise awareness of the innovation and research being carried out by GDNs.</p>	<p>The GFG uses its monthly meetings to host key guest speakers, raising awareness of the innovative projects and research being carried out by the GDNs, building relationships with key policy makers to influence the UK’s energy strategy. Greater understanding of other organisations’ priorities, innovation and work to help us to make the links and share best practice. These have included: Hydrogen Fuel Cells Association; BEIS; Carbon Connect; Buro</p>

<p>Carbon Connect, sponsored by IGEM, is working on a research project to investigate the opportunities offered by low carbon gas to reduce the UK's greenhouse gas emissions and the policy developments which are required to enable its deployment as a source of energy. The gas networks are all on the steering group.</p>	<p>Happold; Leeds University.</p> <p>This important project is examining the three areas of:</p> <ul style="list-style-type: none"> - Issues related to the gas distribution network and local storage - Issues related to the production and bulk storage of low carbon gas - Issues related to consumers and the development of compatible appliances <p>The project sponsors are James Heapey MP, Callum McCaig MP and Alan Whitehead MP and the project is being formally launched in June, as part of Carbon Connect's Heat Series.</p>
<p>The GIGG group publish a quarterly newsletter which details all the activities in relation to new innovation projects, the annual LCNI Conference, ENA news and forthcoming events</p>	<p>This is an extremely beneficial forum where each GDN has a platform to share information and learning from innovation projects that are currently underway or that are in the pipeline.</p> <p>This is shared with a wide list of more than 60 stakeholders, including SMEs, DNOs and Ofgem and has been very well received.</p>
<p>To share learning from innovation project findings which look at the future use of our network. As GDNs, we have taken the lead in different areas of innovation, to build evidence on how the energy trilemma can best be resolved, sharing learning from project findings.</p> <p>Key projects include:</p> <ul style="list-style-type: none"> • hydrogen – WWU & NGN • bioSNG – Cadent • Oban – SGN • CNG (transport) – Cadent • Freedom project – WWU & WPD • Biomethane – all 	<p>CEO meetings and various other forums have taken place to share learning over future options for our gas networks.</p> <p>NGN and WWU are investigating how we might best face the challenges of using zero-carbon hydrogen in the gas network; Cadent is focusing attention on the use of bioSNG and also on how low-carbon gas could be used to decarbonise transport.</p> <p>SGN's Oban project is using this standalone gas network to investigate the possibilities of adding different, non-traditional composition gasses to this gas network. All the networks are investigating adding biomethane to the gas networks with current connected capacity standing at the ability to power 277,957 homes and business from this low-carbon gas across the networks.</p> <p>WWU has commissioned a model that can predict how different mixes of renewables will perform in different geographical regions, across the seasons and across demand, helping match the demand and supply possibilities. A second WWU study has researched the ability and aptitude of different energy consumers and investors to pay for changes to their energy systems.</p>

	<p>Collaboration between gas and electricity networks is also being pursued; project Freedom is a collaboration between WWU and Western Power Distribution, investigating the best way to power and heat homes using the most cost effective and low-carbon fuel available at any given time of the day or night, be that electricity or gas, at different times of day, using smart technology.</p>
<p>To facilitate green gas entry. Through the Distributed Gas Entry Group, we have looked at the impact of renewable gas on our networks and explore how we can harmonise our connection and commissioning arrangements, and to identify learning from the development of distributed renewables on the electricity network.</p>	<p>In order to support the use of biogas generally and the entry of biomethane into the network, we worked with IGEM to develop standards for biomethane network entry and biogas entry.</p> <p>We've introduced consistent Voluntary Standards of Service (VSOS) for Biomethane connections. This means wherever the connection is happening in the country, there is a consistent service and sharing of connection performance and that we, in turn, are making sure the standards are working for our customers.</p>

