

Morrison Water Services (MWS) delivery model - overview

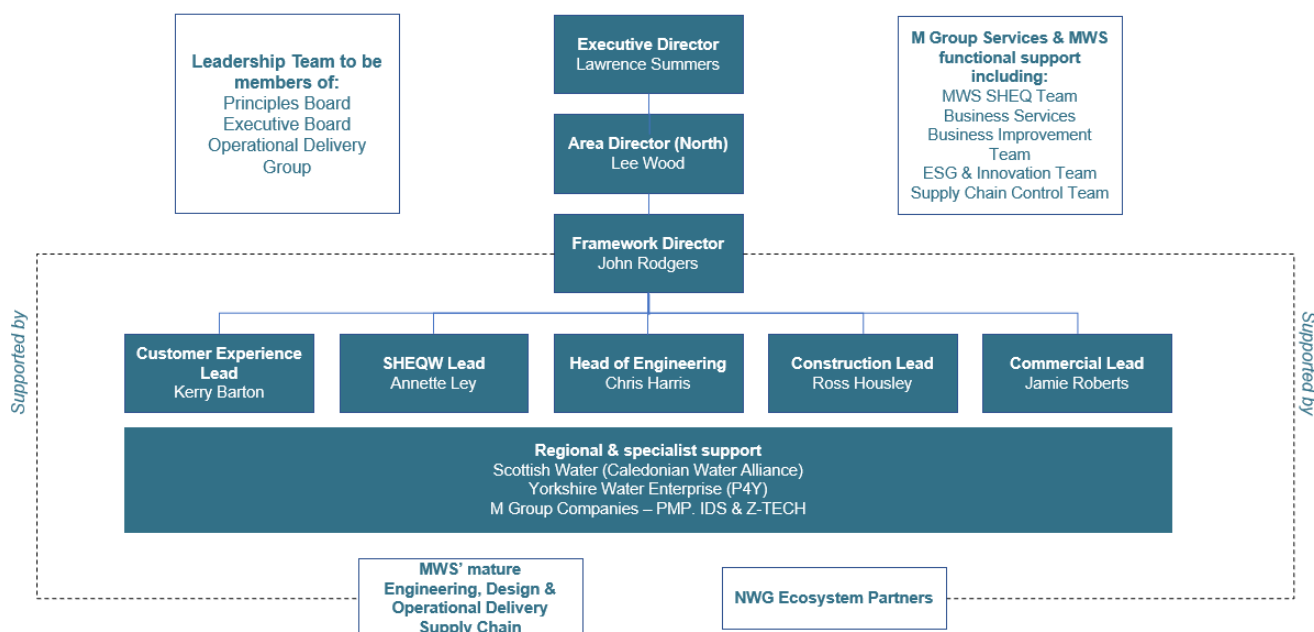
Our delivery model and relationships are founded on our strong/national capabilities and capacity in design and construction delivered through a blend of direct and subcontractor arrangements, underpinned by collaboration. We have a proven and successful track record in alliance/partnering delivery models, including the Yorkshire Water (YW) Programme for Yorkshire Enterprise (P4Y), Scottish Water Caledonian Water Alliance (CWA), and Anglian Water Integrated Operational Solutions Alliance (IOS). Learning, cultural development and maturity in this space provides a foundation from which to unlock the collective potential of the Living Water Enterprise (LWE), leveraging the very best outcomes for its members, NWG's business units, customers, and social environment.

We will:

- Bring our Enterprise expertise and people to help shape the LWE in its infancy to ensure its sustainability and success – creating a strong and cohesive 'one team' with a best athlete mindset.
- Nurture an agile organisational model with a realistic approach which recognises that MWS will 'grow' into the NWG area. Initially operating a resourcing hybrid approach, utilising people from P4Y and CWA. We also have leaders/people/teams who reside in the Northeast region but have transferred their skills onto other contracts in the UK; these can be deployed onto this framework.
- Mentor/guide/train the cultural development and learning of the wider ecosystem and key stakeholders – common understanding of the goals, objectives, benefits and commercial arrangements of the LWE through informative and inspiring events such as 'spend time with us'.
- Ensure that Framework and Contract obligations/commitments to customers/stakeholders are met/exceeded; enabled through effective governance, 'fit for purpose' management systems, deployment of competent people and focus on continuous improvement.
- Focus on local recruitment, pivotal to our social value commitment – 'together, creating a more sustainable society'.

Key resources & organisational model

Our proposed organisational model is centred around key functions, including M Group Services (MGS) and MWS support services, together with NWG ecosystem partners, shown in the leadership organogram below. This is underpinned by alignment to NWGs outcomes, operational procedures and business processes, competency framework, decisive leadership, and shared goals/values. The key personnel will be finalised/agreed with NWG taking into consideration the best athlete approach across all the LWE members e.g., a single Customer Experience Lead.



Our accountable, technically astute framework leadership team, selectively drawn from neighbouring frameworks very similar in nature, have extensive experience in managing the scope of works and collaboration experience to proactively support/take a LWE leadership role.

John Rodgers, Framework Director, will bring his experience from setting up the YW P4Y Framework and will oversee the establishment and delivery of all our roles within the LWE. John will be the key point of contact for NWG during mobilisation and beyond, and proactively support creation/evolution of collaboration/cultural foundations and governance.



Our Customer Experience Lead, **Kerry Barton**, supported by a customer liaison team will be dedicated to interacting with customers and stakeholders on projects. Kerry will ensure alignment between our 'Every Customer Counts' strategy and NWGs customer engagement approach. This will enhance the way our daily activities affect customers/stakeholders during our interactions including delivering our Social Value Plan.

Annette Ley, SHEQW Lead will be accountable for implementing, monitoring, and updating the LWE bespoke SHEQW plan, aligned with our 5-year continuous improvement strategy and NWG standards/ambitions. Annette will be supported by SHEQW advisors, providing local assistance for team briefings, standdown learning events, training/coaching, compliance audits/inspections, ensuring compliance with CDM 2015 duties, and assisting line managers with performance reports/improvements.

Our Head of Engineering, **Chris Harris**, leads a team experienced in value engineering, strategic planning, and effective change management, and has the capacity to provide technical support to the LWE as our Ecosystem Integrator (see diagram in the supply chain section). Chris' team has achieved business success through excellent client relationship development and management, and by growing MWS' design house by over 200% between AMP6 and AMP7. Chris will be supported by our Design Manager, Caroline Copley, Programme Planners, Technical Engineers and Designers. Additionally, we can draw upon our supply chain (see below for further details). Together, they will develop and incorporate design governance, push NWG specification and standard boundaries and ensure the Gateway E2E process is followed/improved at pace.

Ross Housley, with his vast experience in managing delivery of the YW P4Y, will take on the roles of Construction Lead and Operations Integrator. Ross will secure construction resources (in-house/supply chain) to meet the programme (e.g., Project Managers, Site Managers, construction/specialist teams, and specialist equipment).

Our Northern Area Commercial Director, **Jamie Roberts**, will take on the role of Commercial Lead, leading a team of Quantity Surveyors, and procurement specialists, maintaining close relationships with the NWG Project/Commercial team. Our Oracle accounting system will be used for cost and value capture and provide bespoke reporting to NWG to enable continual monitoring of programme/project expenditure. The team will identify efficiency opportunities driving cost reduction and commercial sustainability with outcomes intrinsically linked to our Business Plan and NWG affordability ambitions.

Detailed CVs are contained in Appendix 6.2 – MWS CVs.

Key operational locations & engagement

Based on past experiences of creating an enterprise/alliance arrangements, we learnt the value and importance of co-location of all entities in the critical process steps, especially at the forming stage. This approach provides flourishing partnerships and benefits designing processes, understanding strengths of each partner, cost efficiency (minimising separate office establishment/running costs) and identifying best athlete. Although co-location is our preference we have accessible resources within the region e.g., Morrison Data Services office in Newcastle and Avonline Networks offices in Middlesbrough and Newcastle. Our supply chain premises and other partner offices could also be utilised.

Construction delivery locations will be determined from the programme and geographical work locations. This may consist of a permanent or temporary base to service a project/group of projects. We intend agreeing this with LWE members.

Mobilisation and beyond

Effective mobilisation of the LWE is a key initiative for all, creating the foundations for a modern, agile, and integrated business model which drives value for customers, innovation, and shared goals. As the LWE heads into delivery of the programme, it will continue to evolve, with partner focus on design/construction partnerships.

Key features & benefits of our 'LWE Maturity Journey'

- **Collective mobilisation planning** with assignment of partner mobilisation specialists (e.g., MWS assigned Change Manager) to individual tasks e.g., creating induction packs to deliver a coordinated, collaborative, and efficient approach.
- The mobilisation period allows the opportunity for **strong communication and getting to know each other's strengths** better, understanding business demands and capabilities: starting the formation of an effective eco-network, 'one team' approach, and ensuring business continuity into the future.
- **On-boarding** the right collaborative LWE team (including subcontractors/partners) and, as it grows, anticipating resourcing changes, bringing in new talent whilst building the skills and abilities of our own, and the wider LWE team, with ongoing training, education, and development opportunities. We shall also assist in the training of the LWE data and performance reporting platforms (train the trainer approach).
- **Setting the foundations for success through knowledge transfer** e.g., common understanding of NWG quotation/work allocation and gateway process, policies, procedures, technical standards, and workflow governance, ensuring meaningful and aligned contribution by our people. This approach continues throughout the programme through project lessons learnt, and sharing knowledge gained from wider business experiences.



- Making **progress at pace** e.g., quickly developing and rolling-out the LWE Behavioural Framework based on collective experiences to describe what good (and bad) behaviour would look like for leaders, peers, and partners – foundation for success.

Role, capability & capacity of our ecosystem

Supporting our local in-house teams, MWS have a robust, mature, collaborative, highly resilient supply chain, with proven competency and capability, strong financial standing, and scalability to deliver work packages at the pace required. MWS has access to 1617 approved material/product suppliers, 905 subcontractor organisations, and 300 material/subcontractors. We can also draw upon resources from our 18 specialist MGS companies.

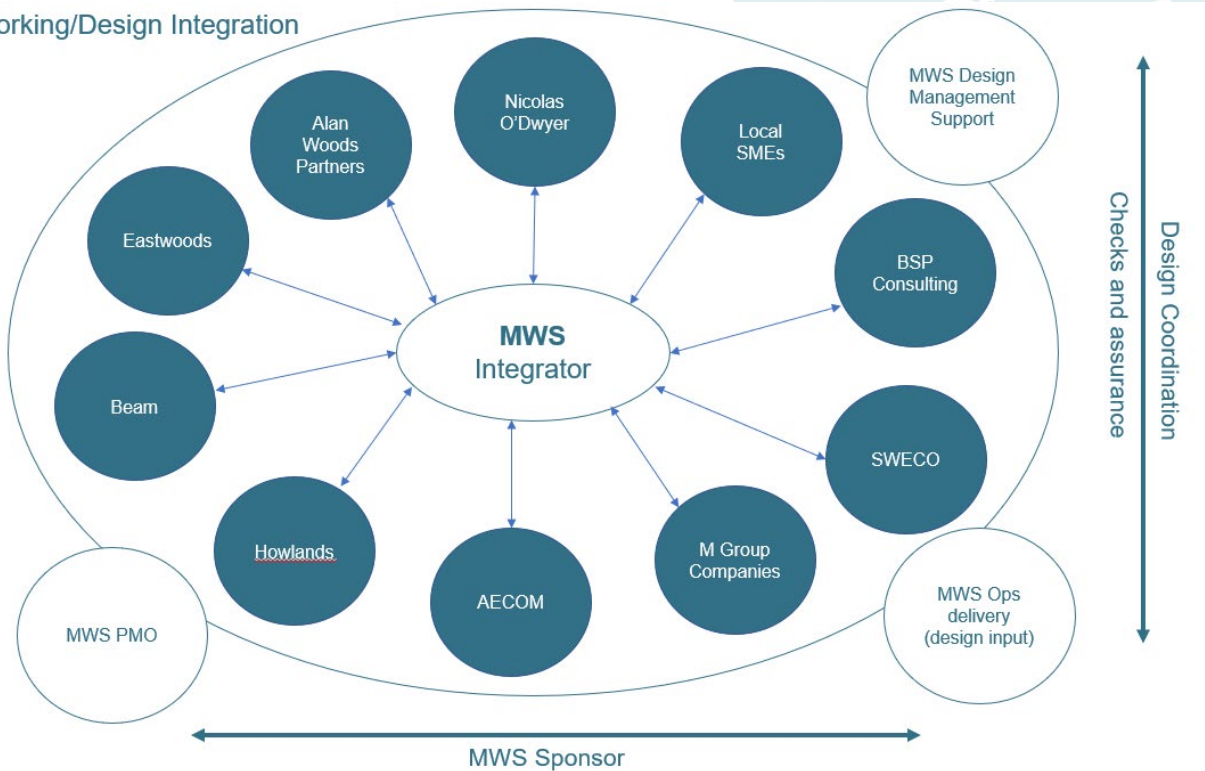
Role and capability requirements are informed by the nature of the works, with early contractor involvement (ECI) in programme/project planning informing capacity requirements.

Key subcontractors/partners

Design phase

Our Engineering and Design House will be supported by specialists within our existing ecosystem (shown in the diagram below). We shall also on-board additional Small Medium Enterprises from the NWG region to enhance localised resilience. As we strive to deliver social value across the region we are committed to upskilling, mentoring, and developing the wider ecosystem.

Ways of Working/Design Integration



Chris Harris (Design Integrator) holds regular board meetings with senior leads from the ecosystem to review new work opportunities and the existing programme. During this engagement we will determine the capacity to provide services from one or more supplier (depending on capability requirements/scope of work); this leads to choices that can be made based on best value (see table below).

Engineering & Design Supply Chain				Surface Water Separation	Upsizing of Combined Sewers	Off-line & on-line tank solutions	Design & Installation of Nature Based Solutions	Rainwise Solutions	Installation of Screening Controls	Smart Network Controls with multiple solutions
<div>Project brief → Desktop surveys → Site surveys & searches → Trial hole requests</div> <div>Handover packs inc. Commission Plans → Risk & Mitigation register → Constraints register → Solution proposals & drawings</div> <div>Modelling & value engineering</div>										
Nicolas O'Dwyer				✓	✓	✓		✓		
Alan Woods				✓	✓	✓	✓	✓		



Eastwoods	✓		✓				
BEAM					✓		
Howlands (ground investigations/surveys)	✓	✓	✓	✓	✓		
AECOM	✓	✓	✓	✓	✓	✓	✓
M Group Companies – Z-Tech / PMP / IDS						✓	✓
SWECO	✓	✓	✓				✓
BSP Consulting	✓		✓				

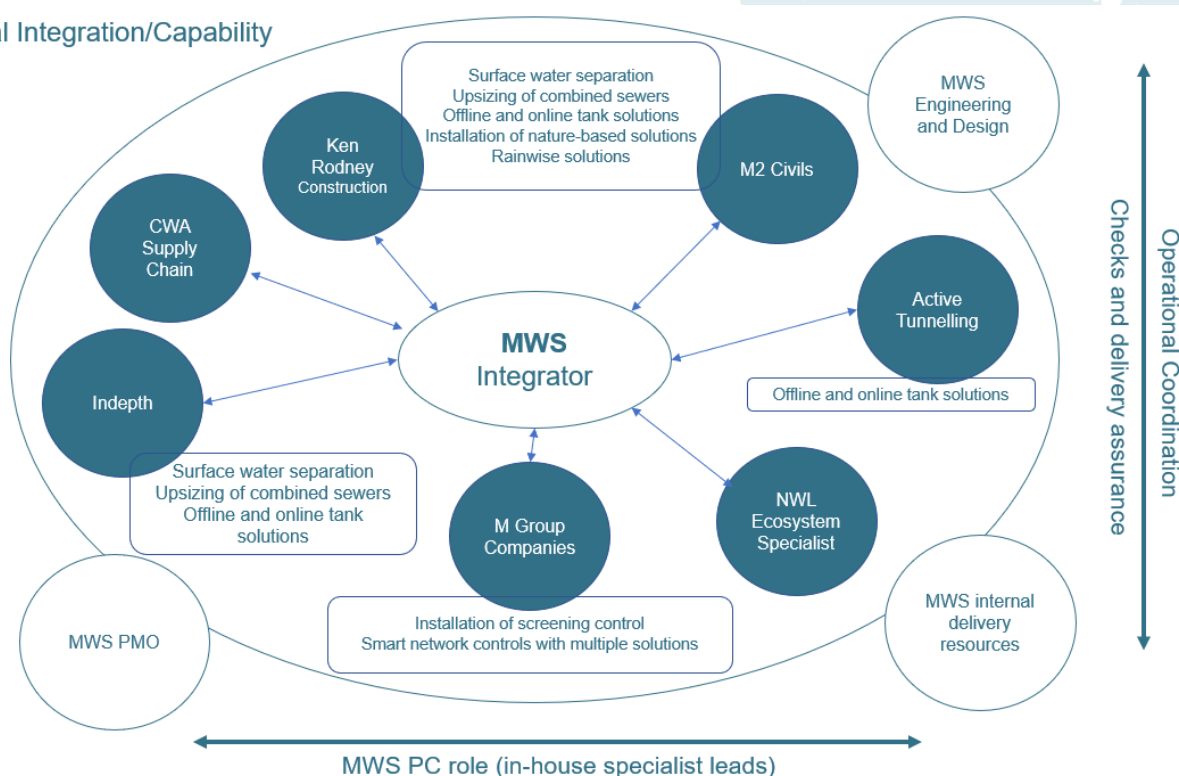
Note: MWS have the capability to provide services outside the 7 key workstreams lists above.

Construction phase

As a best athlete choice, during the construction phase we will use a blend of direct and specialist subcontract resources dependant on capability and capacity to deliver activities to programme. At monthly board meetings with senior ecosystem leads, we will review new work and the existing design and construction programme. During these meetings we shall determine construction capacity and best value.

We shall also use/engage the wider NWG Frameworks for providing specialist services (e.g., demolition) and start to onboard local SMEs into the LWE ecosystem; directly supporting the local economy and our shared social value ambitions.

Operational Integration/Capability



Utilising M Group Companies

The way we are structured enables us to provide specialist support wherever and whenever it is needed throughout the UK. M Group specialist companies (IDS, PMP and Z-Tech) are an integral part of our offering, deployed into different client areas by virtue of the MWS footprint/framework agreements. These companies have been acquired for not only their specialist skills, exceptional delivery, and safety performance, but also the niche offering and ability to be agile and work nationally where required. E.g., PMP based in Burnley established a regional hub to service CWA, and IDS created a Hub in Preston to provide services to UU. The capabilities they offer include specialist innovative designs, engineering, deep shaft access, off-site manufacture, assembly services, telemetry, control panels and MCCs, and MEICA activities.

Enhancing service & resilience from our wider business

We pride ourselves on the wider MGS offering across the energy, telecoms and transport sectors and our access to fresh thinking and innovation. As part of MGS, with over 11,000 directly employed resources, a comprehensive supply chain and national visibility of work types, we have the capacity and scale to flex our resourcing models

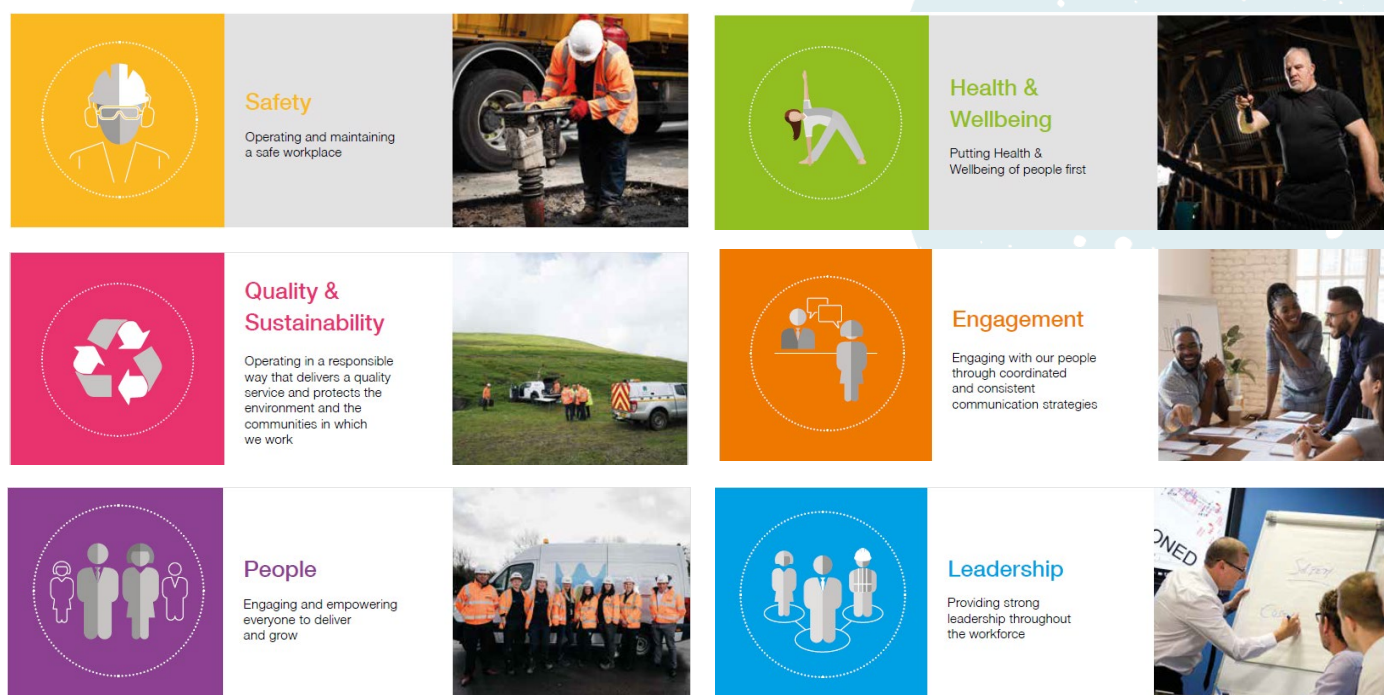


according to work volumes and to a wide range of client services. This gives us an unrivalled level of resilience to deal effectively with extensive proactive and reactive projects/events.

We provide efficient, flexible, and scalable support resources, including HR Business Partners, SHEQW Advisors and several business functions. These teams support all our water industry clients and help to share best practice across the industry.

MWS SHEQW Team

Across MGS, we manage health and safety risk across several sectors, including energy, transport, telecoms, rail and aviation. At Water division level, our SHEQW community, which are employed across our water clients, meet monthly to discuss performance, lessons learnt and best practices. This capability, competent advice and expertise allows a broad level of management across a wide area of the risk portfolio. This wider offering also allows the movement of key experts to conduct deeper SHEQW reviews and investigations and to support all contracts in delivering the MWS 5-year SHEQW and Wellbeing continuous improvement strategy (recognising that this underpins better service and resilience). We do this by setting annual objectives and targets against six focus areas (shown in the graphic below):



Examples of our Quality & Sustainability (ESG) measures and targets set for the period 1st April 2023 to 31st March 2024 are shown in the picture below:

Measure	Lead	Objective / Target			Measured	Achieved When
	Lag	2022/23	Change	2023/24		
Environmental Incidents		Baseline	10%	≤0.06	Ratio of reported environmental incidents against man-hours	Target Met
Environmental Hazards Reported		Baseline	10%	>10	Number of Environmental hazards reported to incident line resulting in positive intervention to prevent incident	Target met
Certification Management		100%	Same	100%	Certification within each business	All current certification maintained
Waste to Landfill		Baseline	NA	Baseline	Amount of waste sent to landfill	Target met
Operational Carbon Use		Baseline	NA	Baseline	Operational Carbon used Scope 1 and 2	Target to be set once Science based targets have been completed



The team also prepare a SHEQ and Wellbeing Calendar of campaigns/focus areas which are cascaded through team leaders, toolbox talks and stand-down events. Examples as shown in the picture below:



Business Services

Our Business Services function includes experts in business processes, systems design and support, risk and assurance and project management. This team works to continuously improve our processes, e.g., by introducing automation, new technology to improve customer service, and streamline communications and data flows. Business Services is also the home of our National Streetworks Manager, Tom Lambert, who is acknowledged by many as the country's most pre-eminent authority on streetworks legislation and compliance (aka 'the Red Book'). Tom represents MGS and utilities sector on several industry forums and pro-actively champions excellence in streetworks, working with Highway Authorities across the UK.

Business Improvement Team (BIT)

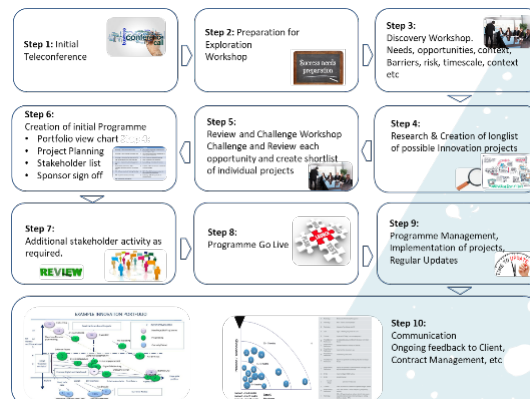
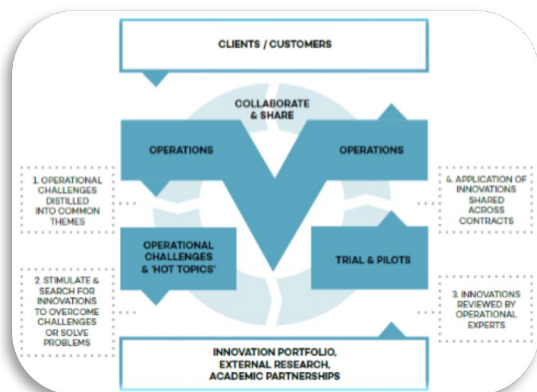
The BIT utilises expert knowledge/experience to deliver cost effective, robust, and efficient services supporting strategic business opportunities and transformational change (to include the LWE) with dedicated Change Managers.

ESG and Innovation Team

Our ESG and Innovation team is led by our Director Andrew Hunt and supported by our ESG Lead (David Steele) and our network of Innovation Champions. They implement our ESG strategy and Applied Innovation Model (shown in the diagram below), a methodology focused on capturing opportunities and challenges we face, fostering collaboration and focus groups (e.g., Technology Product Partnerships) and sharing of solutions. Ideas that are captured are reviewed against key drivers including cost efficiency, resilience, customer experience, operational delivery, people development, impact on the TOTEX hierarchy and carbon neutrality. In addition to using an internal Hub approach to identify ideas from our people, we have opened the door to explore solutions from different industries and tap into an international community of inventors and innovators via Leading Edge Only network. We have also launched an internal Crowdsourcing platform using our new communication channel, Stay Connected.

In addition to sharing our existing innovations e.g., semi-structural pipe liners, our innovation team will engage with LWE partners to create a portfolio of tailored innovations using an agreed process (potentially based on our 10-step process shown below).





Supply Chain Control Team (SCCT)

The SCCT create an extensive, mature, and resilient service focused supply chain network (materials and subcontractors) maintaining capability with no dependency on single source arrangements.

Key features of their function include:

- Ensuring supply chain resilience is high on the agenda of MWS Risk Management Committee meetings and quarterly MGS Risk Board reviews.
- Ethical sourcing of goods/services in accordance with the Chartered Institute of Purchasing principles, and Supply's Ethical Business Practices; demonstrates our leadership in environmental, social and supply chain governance.
- New supply chain providers are subject to a highly effective evaluation prior to receiving work – testing resilience and performance; our existing supply chain is subject to annual reviews and regular audit. Complies with our BMS policies, procedures, and PAS 91 standards. Evaluation also identifies resilience and performance risks and opportunities including the supplier resourcing plans.
- Online monitoring of financial resilience via Credit Checks: immediately respond to financial alerts by instigating discussions with project teams to identify root causes/indicators e.g., change to payment terms impacting on cash flow.
- Use of 3rd party accreditations to verify competence (underpinning performance) e.g., Achilles UVDB, SafeContractor and CHAS.
- Supporting contracts to create Business Continuity Plans - demonstrate our hierarchy of key national suppliers and local arrangements.

creditsafe				
Monitoring Alert				
Monitoring Alert.				
A change has been made to 81 companies you are monitoring in your portfolio - Group Overall Portfolio (User ID: 101582873).				
Company Name	Reference	Personal Limit	Notes	Event Details
Company No. / Safe No.				
UPS LIMITED				County Court Judgment Notices
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MGroupServices

Plant & Fleet Solutions

M Group Services Plant & Fleet Solutions provides plant and equipment suitable for planned/rapid deployment to the contract, 24/7/365, supplemented by strategic supply chain partners who assist in supplying specialist plant/equipment on 'most suitably located' arrangements.

Relationship networking

In collaboration with LWE members we shall develop and implement a Stakeholder Management/Networking Plan. Management and engagement will be designed and tailored to suit stakeholder groups within local regions and to individual stakeholders, as required. Our approach is also varied by work type, scope of interactions and phase (design/planning/value-add engineering/construction/handover and commissioning). Our methodology incorporates best practice, gained from our national experience and different MGS sectors, and is summarised as follows:

- Providing appropriate representation at the Principles Board, Executive Board, Operational Delivery Team meetings, commercial meetings and other forums established by the LWE.
- Strategic and operational planning gaining insights into stakeholders involved in the programme/individual project. Enables accountability and responsibility assignment across the team for effective stakeholder networking e.g., regular relationship meetings with local authority representatives – interface RACI designed.
- Embedding a common gateway process, policies and procedures coupled with continuously evolving life cycle journey mapping identifying touch points – maintaining easy dialogue through the phases by use of multi-channel communications: digital, virtual, and face-to-face interactions. Designed to deliver a seamless stakeholder/customer experience.
- Use of NWG's systems and platforms such as EAM and MAXIMO and other collaborative tools and cloud-based systems such as SharePoint to ensure progress can be easily monitored through shared access.



- Designed and co-ordinated engagement – work planning with stakeholders identifying needs to facilitate the works. Our Customer/Stakeholder Impact Assessment is designed to identify/understand risks, informing bespoke approaches/engagement, and includes an assessment of location sensitivity, work durations and other key factors such as disruption and noise nuisance.
- Delivering personalised engagement activities e.g., site visits with sensitive/priority customers. Our EUSR accredited 'Brilliant Basics' training has been developed to enable staff and construction teams to deliver exceptional service using customer orientated tools and skills (e.g., effective listening). This can be shared and built upon with the wider ecosystem.
- Ongoing feedback to stakeholders on progress and performance with effective and rapid management of stakeholder complaints/performance concerns.
- A customer/stakeholder innovation forum is essential, designed for the ecosystem members to share data, lessons learnt, and improvements proposed to ensure a coordinated stakeholder/customer improvement plan which pushes the boundaries in pursuit of excellence.

Summary

We are committed to creating a world class example of collaboration that others are curious about and want to be part of, striving for the best possible outcomes and making a difference in the communities we work in.

