

6.1.6.1 Quality (50% Quality Threshold)

Please provide an overview of your service solution pertaining to water meter installations, specifically addressing how your offerings align with our core requirements.

Your response should include (but not limited to):

1. How your services align with our core requirements
2. The range of services your company provides related to water meter installations
3. Briefly describe your approach to water meter installations. This could include the use of innovative technologies, adherence to industry best practices, and any unique methodologies that set your services apart
4. How your installations meet or exceed necessary quality requirements
5. Any customer-centric practices/cultures
6. Unique values your company brings to the table

Introduction

NWG's core requirements for this agreement includes a comprehensive end-to-end service to fulfil the core requirements. This covers tactical planning, surveying, customer contact, excavation, backfill, reinstatement, meter installation and replacement activities.

M Group Services and MWS fulfil this requirement as we are the largest meter installer in the UK, collectively MGroup Services installs and reads around 60million meters per year, offering services which will meet your core requirements of tactical planning, surveying, customer contact, excavation, backfill, reinstatement, meter installation and replacement activities. These services are delivered as part of an end-to-end managed service, with a direct field force of over 3,000 staff, supported by additional field staff from sister companies.

The following response will detail the:

- Extensive experience, capability, skills and resources we can bring
- The full end to end delivery capability
- Our market leading approach to quality in the metering world
- Customer service, by putting the customer first in the metering journey
- Continual improvement through the deployment of innovation and the latest technology
- Great stakeholder management a by being seen as the trusted installer
- And finally competitiveness and driving value that meets NWG mission statement:
 - *Our mission is to be the national leader in the provision of sustainable water and wastewater solutions, developing stakeholder value and growing our business through our competitive position. We recognise the important role that our supply chain partners have in supporting NWL to achieve our mission.*

How our services align with your core requirements

MGroup Services provides a comprehensive range of services for smart metering both in the water and energy sector which aligns with all our client needs. We can provide full turnkey services or tailored services for clients through the four divisions (water, telecoms, transport and energy).

Morrison Water Services (MWS) (part of the water division) installs around 145,253 household meters and 11,000 non-household meters per year for Thames Water. We also provide services for Welsh Water, Yorkshire Water, and United Utilities. Additionally, they operate in the energy retail sector, installing SMART meters with E.ON and EDF.

Morrison Data Services (MDS) (Part of the energy division) is the UK's leading meter reading agent in the energy and water sector, undertaking approximately 9 million readings for Thames Water, Southern Water, South East Water, and Affinity Water. They provide services to over 90% of the UK energy market and have a national workforce of 1,500 meter readers who deliver an estimated 53 million visits annually.

Morrison Telecom Services (MTS) is a part of M Group Services and offers a range of services to fixed and wireless network operators in the UK and Ireland. They engineer turnkey, end-to-end solutions that include network design, build, maintenance, and new connections. Their core capabilities include exchange equipment, network surveys, network construction, business and residential connections, repair works, and network management. As an additional service they can provide LoRaWAN, fixed network or IOT network solutions.

The next section details the full range of our water meter installation services aligned to your core services.

Our broad range of water meter installation services

With our ability to provide a complete range of services MWS can offer a “best in class” smart metering transition for NWG, managing your experience end to end. Starting your journey with us, MWS can manage your meter installation, reading, and maintenance programme, whilst managing the customer journey. Taking on the complete programme we provide a seamless journey managing, tactical planning, recruitment, training and supervision of the workforce, traffic management and reinstatement activities with councils, customer journey and comms. This enables us to manage the work force size and accelerate the programme to meet Northumbrian Water Group targets.

Morrison Water Services (MWS) provides a range of services for water meter installations, including:

- **Planning**
 - o Work management systems
 - o Logistics planning, mobile warehouse planning, and central meter storage solutions
 - o Scheduling, streetworks planning, and jeopardy management.
- **Surveying**
 - o Meter and supply pipe surveys
 - o Streetworks planning and council agreements.
- **Meter installations**
 - o All meter size installation including NHH and HH
 - o Voluntary and compulsory water meter installations
 - o Meter replacements, maintenance, reading activities and health diagnostics
 - o Network installation (LoRaWAN, fixed network or IOT solutions)
 - o Data analytics and MDMS systems
 - o Generative AI solutions
 - o Device management.
- **Customer experience**
 - o Customer comms messaging (inclusive of doorstep water efficiency and leakage conversation)
 - o Call centre telephony, training on calls and analysis of calls with customers to provide the best customer experience. Our staff are trained to articulate the benefits of smart meters.
 - o Escalation management including the management of complaints and handling sensitive customers who may have health issues or are worried about having a smart meter.
 - o Priority customer booking / out-of-hours install support
 - o Plumbing support for no water or in-home issues (related to install)
 - o Customer journey and aftercare support with call centre management.
- **Installation, Customer services & Excavation works**
 - o Using AI platform for accurate data capture during meter exchanges or installations
 - o Reduction of back fill and reinstatement for carbon reduction
 - o Separation of back fill to reuse material as recycle aggregates
 - o Recycling of meters and reduction to landfill
 - o Waste transfer
 - o Leak identification and repair
 - o Home water efficiency visits.

Additional services offered by MWS include network repairs, fire hydrant / network asset replacement, street furniture replacement, plumbing fittings install or replacement, new service connection (inclusive of developer services), and water balance analysis. As a business we are also now in a unique position to offer meter data management services on AWS technologies, which includes Generative AI and machine learning technology which can analyse data points from meters for device management and predictive

meter maintenance, customer data, network outages, customer side leak detection (automation) and high user identification with actions to resolve issues. This technology can be linked to our works management systems to auto generate job tickets helping to reduce operational resources.

Our right-first-time approach to water meter installations

MWS provides a comprehensive solution to water meter installations with a focus on reducing per capita consumption, achieving high metering penetration, and delivering exceptional customer service. Installing water meters correctly the first time our employees are on a customer's premises is key to achieving these focus points. A right-first-time approach reduces the need for repeat site visits, making the installation process as easy as possible for customers and delivering value for money by being efficient. MWS delivers this approach through its unique methodologies, which are bolstered by constant innovation, adhering to industry best practices, and by excelling in customer care. The next three sections describe exactly what we do to install water meters right first time and achieve high customer satisfaction.

Continually innovating to stay at the forefront of our industry

Innovative technologies must be embraced to continue delivering customers with the best possible service and therefore the highest-quality drinking water. Example technologies MWS uses to aid the water meter installation process include:

- Mobile applications for near real-time photographic evidence at key stages of meter installs, which supports quality assurance and minimises repeat site visits but ensuring each stage of the install is done correctly before operatives are allowed to proceed to the next stage.
- Using stop tap adaptors and CRIMP innovation/technology for jointing to reduce the risk of future issues such as leaking joints.
- Ensuring meters are correctly proved with Blicher technology, which takes accurate photographs of meters to verify readings and serial numbers.

Furthermore, we have built meter data management platforms, linked to generative AI and digital twins, to automate leak detection and high consumer usage. Utilising live hydraulic models and machine learning the process of identifying customer side leaks and high users can be automated. Our systems can save time in generating job tickets for leak investigation or water home efficiency visits. Savings can be calculated through water balances including the ability to measure leaks using minimum net night flows in near real time. Device management of meters is also integrated into our system capability where we use AWS IOT core to analyse data from meters to trigger Lambda functions to actions. MWS has standardized on Salesforce the no1 system for job management.

Following industry best practices

MWS, as part of M Group Services (MGS), has developed a long-term environmental, social, and governance (ESG) strategy that encompasses all parts of the business and is underpinned by a Social Value Plan. The ESG policy includes:

- Delivering an organised programme of 250 volunteering days across the Water Division every year
- Capturing and reporting all charitable activities supported by MWS
- Delivering 1,000 total hours to STEM programmes by 2030.

These community goals result in MWS supporting social and economic wellbeing initiatives – joining community causes that help people with limited options elsewhere. The ESG policy also includes working on projects that deliver sustainable drainage schemes to benefit residents against surface water flooding, such as the Living With Water project at Rosmead Street in Hull.

MWS's ESG policy is also focused on risk identification and management, with governance structures ensuring they are fit for purpose. The operational board is responsible for managing processes involved in each area of risk. The policy is subject to independent external benchmarking and complies with the Taskforce on Climate-related Financial Disclosures.

Following industry best practices is not just about us getting water meter installations right first time. It is also about making sure those installations are of the required quality.

Providing customers with the best possible service

NWG customers will receive a high-quality experience as part of MWS' right-first-time approach. The following list details ways in which MWS delivers the best possible service:

- Proactive and timely customer communications from the initial engagement and appointment-making process, ensuring customers are well informed about what will happen and when.
- Minimising supply interruption and returning supply as promised, with special attention to supporting vulnerable customers during installation. Advice to customers including priority care services and delivery of bottled water is provided during installation if required, to ensure the customer has the most comfortable experience whilst their supply is off.
- Providing support and call back to customer queries, resolving issues at the visit, and swiftly addressing complaints.

As mentioned above, MWS deploys innovative technology to make sure customers receive excellent service. One such technology is the 'Where's My Tech?' app. Customers are encouraged to download the app, which has an Uber-style mapping interface, allowing customers to view the location of technicians as they travel to their appointments. This helps customers plan their day around the technician's arrival, minimising inconvenience and reducing the likelihood of missed appointments. The app is integrated with MWS's bespoke work management system MWorkS, which uses the Salesforce Field Service Lightning product.

The use of 'Where's My Tech?' is crucial for meeting key service level requirements and improving customer satisfaction by providing transparency and real-time updates on service appointments.

Meeting and exceeding quality requirements

Meeting and exceeding quality requirements begins with making sure employees are competent to do so. MWS trains and coaches employees to understand their role in delivering timely and right-first-time service, supported by tools like the MWS Metering Installation Handbook.

In terms of onsite practices, final checks inside customer premises ensure supply is connected and operating at the correct pressure, with no leaks, and that customers are satisfied with the completed work. Early data collection and compiling handover packs as a project progresses also ensures smooth handover and adherence to correct procedures.

We use innovative technology to make sure we meet and exceed quality requirements during water meter installations. This includes using generative AI image recognition for right-first-time meter readings and serial numbers, and by ensuring compliance against SROH and industry good practice. MWS also adheres to industry best practices through a SHEQW (Quality) Plan, which includes recommended techniques for excavation, backfill, and reinstatement works.

Lastly, as part of MGS, we share and receive best practices and lessons learnt from our sister operating businesses, including PMP Utilities, Z-Tech, and IDS Systems. This is so that we are capturing and learning from a broader range of experience, better equipping us to know how to install water meters to required quality standards, and even beyond them.

Our customer-centric practices/cultures

The foundation to providing excellent customer service is having customer-centric practices/cultures in place. Our use of the 'Where's My Tech?' app emphasises the value we place on keeping customers informed. Other practices we follow to do this are local drop-in centres and letter drops.

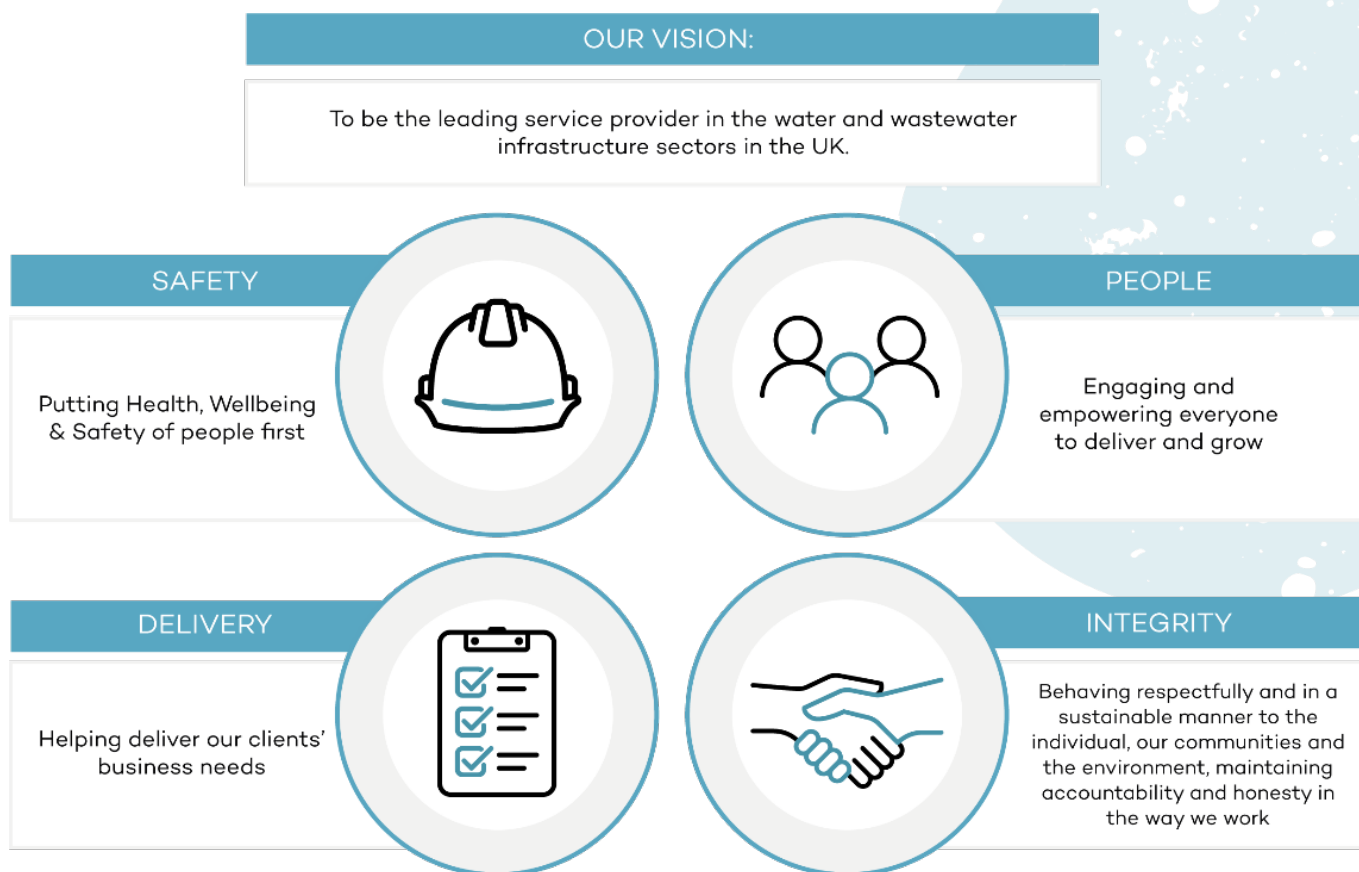
MWS operatives are encouraged to deliver exceptional customer service through our WOW! Awards initiative, which acknowledges service excellence and professionalism. This customer / workforce industry excellence programme has been a significant success, with MWS regularly receiving over 120 customer commendations every month. This initiative has contributed to high scores in customer satisfaction metrics, such as a C-MeX and promotes our "customer centric culture"..

Receiving customer feedback is central to how we continually improve our services and maintain a high level of service. One feedback mechanism we use is the 'rant and rave' text message or email we send customers after the installation of a meter, giving them the opportunity to provide feedback on their experience with the metering process. The system is designed to record customer satisfaction and the effectiveness of the installation, ensuring that any issues are swiftly resolved, particularly for vulnerable customers who require additional support.

The unique values MWS brings to the table and how they align with NWG's

Morrison Water Services has a proud history of working collaboratively with our clients in the water sector to design, construct, repair, renew, refurbish and maintain infrastructure in the UK. Our pedigree comes from Morrison Utility Services and a long-established history of utility service provision.

Our core values are built on Safety, People, Delivery, and Integrity together with our ESG Policy align with the five strategic themes for NWG which focus on customer, competitiveness, people, environment, and communities. The following outlines how we not only align with NWG's strategic themes on Smart Metering but also demonstrates how we operate our "best in class" philosophy for customers.



However, our unique value is that MWS current are the only provider to be planning, managing, and installing at scale a water smart meter programme while managing the customer journey for the United Kingdom's largest water utility!

Strategic Themes

Customer

Getting the 'right first time' approach with customers, is core to the development of our customer journey and innovation strategy. To deliver a 'right first time' approach for smart water meters for customers, Morrison Water Services focuses on several key practices:

1. Using stop tap adaptors and crimp innovation/technology for jointing to reduce the risk of future issues like leaking joints, which minimizes the need for revisits.
2. Utilizing the Blicker system for accurate photographic recording of meter asset data and meter readings, ensuring accuracy and minimizing revisits.
3. Ensuring that all issues are resolved during the initial visit and that the water supply is returned as promised.
4. Providing support and swift resolution to customer queries, complaints, or expressions of dissatisfaction.
5. Establishing robust processes and procedures, embedding a right first time culture throughout the organization, and managing communication with different customers effectively.

6. Introducing and upgrading mobile applications for near real-time photographic evidence at key stages of meter installs, which supports quality assurance and minimizes repeated site visits.
 7. Collaborating with clients to develop and implement advanced, integrated work management systems for schedule automation, work allocation, and accurate feedback collection.
 8. Implementing Safe Dig AI for compiling utility plans quickly and accurately to improve efficiency and safety on site.
 9. Providing local drop-in centers and letter drops to keep the public fully informed of works in progress.
 10. Ensuring that the workforce is fully trained and competent, with continuous training and coaching to maintain knowledge and adherence to robust procedures.
 11. Using technology such as the 'Where's my Engineer?' app to allow customers to track the journey of operatives to their appointments, honouring commitments and reducing unwanted contact.
- These practices contribute to minimizing customer disruption, reducing the cost of failure, and ensuring a successful project outcome with high customer satisfaction.

Competitiveness

At Morrison Water Services we understand the challenges water companies face in providing a fast and efficient service to customers. For smart metering we are proud of our exceptional high customer satisfaction scores and our ability to ensure meter data is delivered through the smart water network for accurate billing purposes. Services aligned to meet this theme are as follows.

1. Analytics and Segmentation: Morrison Data Services undertakes analytics and segmentation of work activities to understand unsuccessful visits and what is needed to obtain a reading, resolving issues and learning for continual improvement.
2. Job Management Platforms: Morrison Water Services has developed job management platforms for SMART Metering using Salesforce, which is linked to work mobile applications, capturing data from operatives in the field.
3. Collaboration and Standardization: Joint investment in a head-end system or job management platform allows for a one-time system build which lowers costs and timescales for deployment. Collaboration between water companies can guide the development of products to meet regulatory requirements, providing the industry with one standard.
4. Digital Transformation: Morrison Water Services utilizes digital tools like the Blicker system for accurate meter readings and the VariSim Delta for real-time hydraulic modelling, which can handle millions of data points per minute and provides insight into water network efficiency.
5. Customer Journey and After Care Support: Morrison Water Services provides comprehensive customer support, including call center management, to ensure customer issues are resolved and data is accurately collected.
6. Water Balance and Leakage Detection: Smart metering allows for a comprehensive water balance, showing the relationship between input volume, authorized consumption, and losses due to leaks or theft, which is crucial for calculating leakage and implementing real-time measures to reduce it.
7. Advanced Data Analytics: Morrison Water Services has the capability to provide automated Continuous Supply Leakage (CSL) detection, linked to job management systems which can generate alerts to customers. They can also provide detailed demand analysis for the water balance or analyse water consumption benefits before and after the meter install.

Environment

In global climate change, we now find ourselves facing a challenge that transcends all industries. We have long since recognised our responsibility to operate in a way that looks after the environment and supports the communities we work in, but we now recognise we must do even more to support the global fight against climate change.

The Water Division recognises that a strong Environmental, Social Governance & Innovation strategy is about much more than just decarbonisation of our operations. We take our social and governance commitments seriously. We understand that our people are our greatest resource, and we want everyone who works for us to feel truly looked after and passionate about being part of the team. On top of this, we believe in looking after the communities we work in and making sure we are contributing to the society we are fortunate enough to do business in.

Science-based targets

MGS, including MWS, is committed to reducing its carbon footprint and has adopted a Group-wide approach to carbon reduction based on the Science Based Targets initiative (SBTi) three-stage model. MGS aims to halve carbon emissions by 2030 and reach net-zero by 2050, with a near-term science-based target aligned to maintaining the global average temperature rise to below 1.5°C. These targets are being developed with the support of international climate consultants EcoAct and will be presented to the SBTi for endorsement by March 2024.

MWS is also part of the Achilles Carbon Reduce programme and is ISO 14001:2015 certified, which helps drive continuous improvements in environmental performance. The company's carbon reduction strategies include a focus on reducing Scope 1, 2, and 3 emissions, with a significant portion of emissions reductions coming from transitioning to a sustainable transport fleet and adopting a green fleet and plant strategy. This includes acquiring vehicles with the latest technology and most efficient engines and signing up as a member of the Climate Group's EV100, reflecting a pledge to transition the 'core' fleet of vehicles to electric. MWS also promotes good environmental practice and sustainable processes across its operations, including the adoption of the Circular Economy Procurement Model and collaboration with clients to deliver nature-based solutions.

Our People

To meet the ambitious challenges we've set ourselves as a business, we are aware we require an engaged, developed and safe workforce. Above all, we need to make sure we keep the best talent in the Water Division.

The Water Division, in 2021, launched two employee networks to ensure that our female and BAME staff were represented. In the short time since they have been active both have already provided a wealth of policy direction and education for all our colleagues. The Women's Network, for example, has already lobbied the board for successful changes in policy and the REACH (Race, Equality and Celebrating Heritage) Network has provided insight into micro-aggressions and how these can be avoided.

Our Health & Safety record is already an area we take absolute pride in, but we want the Water Division to be regarded as the safest employer in the industry. To do this, we will continue to invest heavily in training and innovation to ensure that we have the safest ways of working.

We have looked to our innovation portfolio wherever possible to reduce the risk to our operatives. On our capital delivery programme, we've invested in the use of LIDAR and Pipe Penetrating Radar to reduce the amount of time our operatives spend in high-risk situations. We have also invested in FYLD, an AI video risk assessment tool, which ensures any risks to health and safety are picked up at the earliest instance.

We have, throughout the Water Division, invested heavily in personal development for all our staff. Every person working for the business will have regular check-ins with their manager where training requirements can be identified and implemented.

Everyone who works in the Water Division should feel that they have a future in the business and that this is a place they can build a career. This will feed into our overall ambition to become a Great Place to Work-Certified Organisation.

Communities

We have a long history of supporting charitable causes. While this has historically been on an ad-hoc basis, we're excited to facilitate an organised programme of charitable work in the community. To this end, we will deliver 250 total volunteering days across the Water Division every year.

We have always been happy to support community causes that help people who have limited options elsewhere. This has seen us, in recent years, sponsor children's hospices, sports teams and partner with our clients on minor infrastructure projects to improve local areas. We love being able to make a difference in our communities and

we know we can do more which is why we will capture all activity and report on a regular basis the causes we are supporting.

It is no secret that the industry is facing a skills shortage caused by an aging workforce and a lack of young people available to replace these workers. The Water Division wants to inspire our youngsters to join the water industry and promote the fantastic, essential work we complete alongside our clients. With this in mind, we will double our commitments (in hours delivered) to our STEM programme by 2030.

