November 2024, Version 2

1. **Introduction**

At Wales & West Utilities (WWU), we recognise that colleague retention is crucial for our success and sustainability. Our company values support both our business strategy and empower our colleagues. This retention strategy aims to attract, retain, and engage colleagues by fostering a culture of respect, recognition, and reward.

We also understand the importance of handling offboarding with dignity, as colleagues may move on to retire or seek other opportunities1

Our retention strategy has been developed in line with our Workforce Resilience Strategy as part of our Business Plan in which we commit to:

* Offer continuous learning opportunities, including workshops, online courses, and certifications to help colleagues grow their skills and create clear career progression paths and opportunities for advancement within the company to motivate colleagues.
* Encourage a culture that respects personal time and promotes work-life integration, ensuring colleagues feel valued and supported.
* Implement regular performance reviews and feedback sessions to help colleagues understand their progress and areas for improvement.
* Enhance our offerings to recognise and reward colleague achievements and milestones, fostering a sense of accomplishment and motivation.
* Encourage and support colleague involvement in community service and volunteer activities.

1. **Measuring colleague retention and turnover**

We are proud of our retention rates; but recognise the need to foster an inclusive and forward-thinking culture. It is therefore important we continue to track and measure colleague turnover. We track and report our overall colleague turnover over a rolling 12-month period on a monthly basis – this is expressed as a percentage of colleagues overall. The calculation is:

*Total number of leavers of period*

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*Average total number of employed over period*

The includes all leavers, including those who retire, or leave involuntarily due to dismissal or redundancy. We also calculate voluntary turnover (resignations), as this is unplanned and often unpredictable and can have an adverse impact on the business. Occasionally, it’s also helpful for us to consider some of the more complex colleague turnover figures, which take account of characteristics (such as seniority and experience), different functions and locations of the business. This helps to identify areas where turnover is particularly high within the business, understand why and take appropriate actions.

**Offboarding**

Colleague feedback is important to us at every stage of their journey - from hire to retire.  Therefore, we currently ask all colleagues who leave us to complete an Exit Questionnaire so that we can understand what worked well during their employment, identify any trends and equally, what we can do better in the future.

1. **Respect, Recognition & Reward**

It is important that our retention strategy is clear, accessible and easy to communicate – it has therefore been structured around 3 R’s – **R**espect, **R**ecognition & **R**eward.

* 1. **Respect**

A key element of our retention strategy is creating an inclusive work culture that all our colleagues want to be part of and where they feel valued and respected.

What does this mean for us?

**Equity, Diversity** **& Inclusion (EDI)**

We will continue to create an inclusive and psychologically safe culture that embraces diversity and inclusion where all colleagues feel valued and respected, promoting EDI in all decision-making processes.

To achieve this, we:

* have developed an EDI Strategy which sets our commitments, targets and focus areas
* manage for retention and will continue to equip our managers with the skillset that they require through Development & Leadership Programmes which are designed to provide both new and existing managers the skills and confidence to effectively manage their teams.

**A Zero Tolerance Culture to any form of Harassment or Bullying**

We are committed to providing a safe, inclusive and supportive work environment free from bullying, discrimination and harassment on any ground (including sexual harassment), where everyone is treated, and treats others, with dignity and respect.

We operate a zero-tolerance policy for any form of harassment or bullying in the workplace and treat all incidents seriously in line with our Anti-Harassment and Bullying Policy.

**Retraining due to redeployment**

In line with our Redeployment Process, we have a duty of care to any colleague that find themselves unable to fulfil the role they were employed to do by offering trial periods in alternative suitable roles, in some cases this could be a lower graded post and in these cases we go above and beyond to support financial wellbeing whereby an individual’s salary would remain frozen at the level associated with their former, more highly graded post. Additionally, they continue to receive our annual pay award as a non-consolidated one-off payment. We also offer opportunities for growth, new skills, and career advancement through various Learning & Development programmes.

**Internal Recruitment & Succession Planning**

We will advertise vacancies internally to support career development and professional growth. Understanding colleagues' aspirations and maintaining accurate succession plans are crucial to ensure continuity and retain valuable knowledge when someone leaves or retires.

**Onboarding**

Every new starter will be set up to succeed from the start with a comprehensive and welcoming onboarding experience. We will also use the feedback we collect from our onboarding surveys to understand how our new colleagues onboarding experiences were and what we can improve on.

**Colleague Wellbeing and Work-Life Balance**

We will promote a culture that respects personal time and supports work-life integration through hybrid and flexible working. Our Occupational Health Department offers services like annual health surveillance, specialist medical advice, and rehabilitation programmes to protect and improve colleagues' mental and physical health.

We aim to support colleagues towards happier, healthier lives by fostering a culture that recognises the whole person, rewards success, and creates psychological safety and self-improvement. We commit to better wellbeing by:

* Working together by listening, being more inclusive and facilitating personal growth
* Improving health together by enabling healthy teams, environments, communities, and relationships at work
* Supporting together by providing an inclusive and accessible colleague offering

**Engagement**

We will always provide opportunities to give our colleagues a voice by making them feel listened to and showing them that their opinions matter. We currently do this through a number of ways, which includes annual colleague sentiment surveys, roadshows, Exec Q&A’s and many more. We will maintain transparent communication channels between leaderships and colleagues, keeping all informed about our goals, challenges and successes.

* 1. Recognition

We understand that recognising our colleagues for their contributions to the success of their team and company overall will support colleagues feeling valued and is the cornerstone for our culture.

We currently do this through opportunities for regular feedback, performance evaluation and reward initiatives.

What does this mean for us?

Our Sustainable Skills approach includes:

***Training and Development Opportunities***

We will enhance colleagues' learning experiences through our Training Strategy and 3C approach: Challenge, Change, and Create.

* + **Challenge** – by challenging how things are done today, we commit to positively influencing how things are done tomorrow, to contribute to the commercial success and safety performance of WWU by designing and delivering valuable training packages benchmarked against best practice, encouraging and inspiring learning to develop.
  + **Change** – by challenging, we can identify opportunities for improvement, raise the standard for the delivery of training, build resilience and stimulate growth. This will lead to a period of change with opportunities to learn more skills, experience new opportunities, and exercise our creativity through new ideas.
  + **Create** – our aim is to create a sustainable, professional delivery service respected for our skill and competence, with confidence in our delivery. Leading WWU to a safer industry, with smarter workers, greater efficiencies and sound-technical decision making, rooted by education.

***Upskilling and Reskilling***

We are committed to upskilling and reskilling our colleagues, so they are equipped to perform at their best. By upskilling our colleagues, this supports their development and knowledge in their current role whereas reskilling will equip our colleagues for the future with new knowledge in fields outside of their current area of focus. We understand the skillsets of our colleagues will need to continue to develop and change, as will the combination of competencies that various roles require through the transition to green energy.

***Comprehensive training packages***

We will continue to train and develop colleagues through our Essential Business Skills offerings which are based on what colleagues are telling us focusing on their challenges and the areas of focus e.g. time management, communication skills.

*Continuous Learning Opportunities*

We offer continuous learning opportunities, including workshops, online courses, and certifications to help colleagues grow their skills and create clear career progression paths and opportunities for advancement within the company to motivate colleagues.

*Coaching and mentoring*

All colleagues have the opportunity to be coached and/or mentored which increases the capability and performance of an individual by exposing them to thoughts, experiences and tasks that will provide relevant learning opportunities, and when necessary, giving guidance and feedback to help learning.

**Internal Colleague Networks**

We currently have a number of internal networks which are coordinated by colleagues and for colleagues, with support and resources provided by Wales & West Utilities. We will continue to support the establishment of other groups that colleagues will value in the future.

**Long Service Recognition**

We value and celebrate the contributions of long-serving colleagues. While we have a traditional Long Service Award Policy, we will continue to review and adopt various recognition methods including financial rewards, such as an extra day annual leave and written recognition.

**Internal Communications & Engagement**

We will continue to create a positive colleague experience and foster a sense of belonging through various internal communications including 2W, colleague weekly bulletins, Pipeline etc. Our Celebrating Excellence awards are intended to provide recognition to those colleagues, from any grade or contract role, whose exceptional contribution has been outstanding and is worthy of particular note.

**Feedback**

Implementing regular performance reviews and feedback sessions to help colleagues understand their progress and areas for improvement.

* 1. **Reward**

We ensure that our reward and compensation packages are competitive within the industry to attract and retain top talent and offer performance-based bonuses to reward colleagues for their over and above contributions. Whilst we all come to work to be paid, we recognise our reward and benefits packages much stretch much wider than this. We continue to review and evolve our existing offerings based on colleague feedback and by benchmarking ourselves against others.

What does this mean for us?

**Pay**

We take a stand against low pay going further than the government minimum to ensure our colleagues can earn a real Living Wage for the real cost of living.

We are proud to be an Accredited Living Wage Employer certified by the Living Wage foundation in support of this.

**Pay Scales and Frameworks**

Transparency is important to us and therefore we have structured pay scales and frameworks which are published on our colleague intranet and accessible for all colleagues.

**Reward & Competency Frameworks**

To recognise the competence and skills of our colleagues we have developed pay frameworks across Operations and various other departments. The aim of the framework is to reward competency, knowledge, skills and drive the right behaviours.

**Flexible Benefits (Choices)**

Designed with our colleagues in mind, Choices gives our colleagues options to help support their physical, mental and financial wellbeing. So, whether they want money off meals out, dental insurance, or to start saving for the future, Choices has something to suit both colleagues and their families which is reviewed and surveyed on an annual basis.

**Financial Wellbeing**

Recognising the rising cost of living, we surveyed colleagues to understand their financial needs. As a result, we increased pension contributions and introduced a Financial Wellbeing Pot, a digital portal for personal financial decision-making. This portal merges colleagues' and company pension contributions into a total fund, offering options via salary sacrifice and tax-saving incentives. It provides flexibility for colleagues to make the best use of their benefits, such as overpaying mortgages, saving into an ISA, or managing debt. Our approach emphasizes autonomy over development and financial benefits.

1. **Related Documents**

* Inclusion, Equity & Diversity Strategy
* Better Wellbeing Strategy
* People Polices & Procedure
* ‘Choices’ booklet – our online benefits scheme