

Chair's foreword



National Gas is well positioned both to invest in our network so that it can continue to serve the country's evolving energy needs reliably, while also helping to enable the transition to a net zero energy system.

Mark Russell, Chair

Driving reliable energy leadership

It was an honour to have been asked to serve as Chair of National Gas, and to take on the reins from Dr. Phil Nolan in January 2026. I am grateful to Phil for his advice, support and diligent handover, all of which has helped to ensure a smooth transition. On behalf of the Board, Executive and wider staff, I would like to record our thanks to Phil for his stewardship of the company and for his invaluable guidance as National Gas has firmly established itself in its own right.

I am delighted to introduce this report, which is the first of my tenure as Chair.

I see a key part of my role – and that of my Board colleagues – as being a critical friend, both supporting and challenging the Chief Executive and Executive Committee on performance, delivery and the management of the company. Since taking on the role of Chair, I have been impressed with the way in which the Executive works together as a well-functioning and complementary unit, leading a diverse workforce with passion and purpose.

It has been good to find an energised and enthusiastic workforce, with people committed to the mission, driven by purpose and ready to step up to deliver. I have thoroughly enjoyed getting to know people from across the company as I have visited our offices and operations and undertaken Employee Listening Forums. I look forward to hearing from more staff about what is important to them, in the year ahead.

Our performance

Without doubt, the commitment of National Gas staff is reflected in our operational achievements and strong performance this year.

From a financial perspective, we have made a return on equity of 9.0%, compared to 9.4% in 2024/25. We have enjoyed a successful year in respect of customer satisfaction scoring 9.00 (out of 10), and, through the operation of the National Transmission System (NTS), we have delivered world-class levels of reliability (99.99%).

It is evident that, from the Executive down through the organisation, there is a culture of wanting to ensure everyone who works for us, or with us, stays safe every day. Our safety performance for 2025/26 is testament to that safety-first culture, with strong performance in respect of our Lost Time Injury Frequency Rate (LTIFR) – 0.04 injuries per 100,000 hours worked. But when it comes to safety, we must never take our performance for granted, and we must guard against complacency. As Chair, I will make sure that the Board and I leave no stone unturned when it comes to reinforcing the importance of embedding and enhancing a safe everyday culture.

I have been pleased to visit some of our sites across the country. It has been good to see our assets in operation and to meet the teams who are out in the field, come rain, snow or shine, making sure that our compressors, valves and pipelines are well-maintained, reliable and available when the country needs them.

Visiting our sites has brought home to me the magnitude of the critical role we play. I have been struck not only by the need to keep our workforce, partners and communities safe, but also the importance of keeping these sites – places classified as Critical National Infrastructure – secure. Of course, a focus on safety and security is not new. But with the volatility in the world around us, we must be alive to the potential new threats and risks to our infrastructure and strive to strengthen our ability to deter bad actors and protect our assets.

Security of supply

This year, against a backdrop of heightened geopolitical tensions, and in the context of rising conflict and market turbulence, we have sought not only to sharpen our focus, but also that of our key stakeholders, on security of supply.

We very much welcomed the Government's consultation on the Gas System in Transition: Security of Supply, and in our response, we made clear our commitment to playing our part in safeguarding the country's energy security. I have been encouraged by the way in which we have spoken with authority and credibility on matters relating to security of supply, including matters that go beyond our direct control and beyond our legal and regulatory responsibility. We have also demonstrated how, as the Gas System Operator, we can act as an informed yet impartial, trusted advisor.

Navigating the energy transition

It is important to me, as I discharge my role as Chair, that I am informed about the challenges National Gas faces, and that I understand the demands, sometimes conflicting, that the company encounters. I have taken on the task of educating myself, and I am grateful for the knowledge and patience of those members of staff who have spent time explaining the intricacies of what it means to be charged with operating the country's primary energy system.

Chair’s foreword continued

As I have come to know more, so I have come to appreciate the complex balance we face as we navigate what can only be described as a once-in-a-lifetime energy transition, with continuing to deliver an uninterrupted, secure source of energy. It is clear to me that in whatever way we choose to transition to a decarbonised energy system and meet the country’s net zero ambitions, it must be done in the safest, most responsible and secure way possible.

For our part, with the £3.2bn of baseline funding agreed by Ofgem in our RIIO–GT3 Final Determination in December 2025, alongside the potential for additional funding through Uncertainty Mechanisms, National Gas is well-positioned both to invest in our network so that it can continue to serve the country’s evolving energy needs reliably, while also helping to enable the transition to a net zero energy system.

We have continued to take steps this year to ensure that our network will be key to the deployment of innovative technologies, such as hydrogen and carbon capture, into the future. The £165m of funding to enable early design works for the first three phases of Project Union and our partnership with Centrica, Equinor and SSE Thermal to develop Britain’s first ‘hydrogen heartland’ in the Humber, demonstrate our commitment to playing a role in the energy system of tomorrow.

Looking ahead
In the report that follows, you will be able to read about successes in FY26 of which, I am pleased to reflect, there are many. But as we look ahead, I am keen to ensure that we keep focused on improving our performance where we can, and that we are open and honest about where we might need, or want, to do things differently.

In FY27, we will close out RIIO–T2, effectively and diligently, submitting a high-quality, well-articulated submission to Ofgem. With the support of our supply chain, and our partners across the sector, we are well positioned to make a strong start to the delivery of RIIO–GT3. I also look forward to strengthening our relationship, with our regulator, Ofgem, as well as with key stakeholders across government.

We will also continue to harness the collective expertise, passion and skill of our people, to ensure that we not only meet our critical obligations but also continue to maintain and improve our network, making it cleaner and even more safe and secure.

Thank you
On behalf of the National Gas Board, I would like to acknowledge the hard work and determination of our staff throughout the year, all of which has culminated in a strong set of results. Our people have been the driving force behind the success of National Gas in 2025/26; I thank each and every member of staff for their contribution to the company’s performance this year.

As we enter the FY27 performance year, I look forward to continuing to work together as we strive to keep Britain’s energy system safe, secure and reliable.

Mark Russell
Chair