

**Cadent**

Your Gas Network

# Appendix 07.02.03 – Workforce Resilience Strategy

## Executive Summary

We have a clear and compelling vision to set the standards that all of our customers love and others aspire to and our people are vitally important to its delivery. Our workforce resilience strategy seeks to ensure that we understand the demands on our business now and into the future and how we will meet these demands. We are building on a strong and successful heritage of delivering safe and reliable outcomes to our customers but we must recognise that the world in which we operate is changing. New technology, different types of roles, the evolving network and the changing expectations of our customers, stakeholders, shareholders and employees are all factors that we must consider in ensuring our workforce strategy is fit for purpose now and into the future.

Cadent is a new organisation with different values and ambitions to National Grid. There has been a significant shift in ambition to move our organisation to a much more customer orientated, localised business. This presents us with challenges, but also creates considerable opportunities for all of our employees – current and future. But we must also recognise the similarity we must retain, including our core values around safety, the environment and people whilst shifting our ambition to be much better focused and aligned to the needs of our customer and communities.

The wider environment presents a range of opportunities and challenges, from the future of gas and wider collaboration to Brexit. Over the next 10-years we will see c.20% of the UK Energy sector workforce retire and create approximately 220,000 vacancies and we will need to continue our efforts to become a natural choice for recruits into the industry. We must consider these external factors against the operational challenges that we face including supporting the future role of gas, the end of the 30/30 mains replacement programme, the RIIO-2 settlement being tighter than before, attrition levels increasing, and the significant time to competency in many areas that are core to the industry.

We deliver a large element of our engineering work through strategic partnerships and as our existing contractual relationships come to an end we need to consider how we replace them. The market will (and indeed is) moving from a view of the world as 'supply-chains' to one based on 'eco-systems' - more co-dependent networks of partners, stakeholders, communities etc. This will drive us to be less transactional and adversarial, and to become more strategic and collaborative. As the number of touch-points within the eco-system increases, it will place increasing demand on our agility, responsiveness and decision making, which in turn has implications for our workforce strategy.

This strategy paper recognises the balance that we need to achieve between the known challenges that we face today and the high level of uncertainty that exists around the future role of gas and the potential repurposing of our network. We also know that over the next 10 years we will see still further seismic changes in how people engage with their employer and the skills we need them to have to be successful. The companies that 'win' in this scenarios will be those that develop superior digital skills and mindset in their people (e.g. attracting Generation Z digital natives) and those that are demonstrably purpose-led, flexible and inclusive. These points have significant implications for our ongoing employee value proposition (EVP). It is against this backdrop that we have focussed our workforce strategy on the medium-term time horizon; ensuring that we have the right resources to deliver in RIIO-2, whilst setting the organisation up to establish a much clearer understanding of the long term to allow the strategy to evolve over the period.

Lately we have had success in some areas around inclusion and diversity. However, our current workforce mix still shows imbalance in some areas and we are seeking to redress

that imbalance and achieve greater diversity. We want to accomplish our ambitions through targeted actions, focused on those areas we believe will best benefit the business. The figure below captures a SWOT analysis we have developed that has helped us to develop this strategy document:

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Highly skilled workforce in place to support development of new recruits and drive productivity</li> <li>• Existing established routes for early talent and 'grow your own' skills</li> <li>• New T&amp;Cs provide opportunity for workforce flexibility &amp; improved customer service</li> <li>• Relatively low turnover</li> <li>• Strong set of D&amp;I foundational initiatives already in place (e.g. Women in Engineering, grass roots initiatives in local schools)</li> <li>• Our EmployAbility scheme which supports young adults with learning difficulties entering the workplace</li> <li>• Our depot-centric operating model gives more control and accountability to those doing the job (than previous process-led operating model), and should increase engagement</li> <li>• Strong talent management process with development and succession plans in place to enable knowledge sharing and upskilling</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Ageing workforce (1/3 aged over 50) presenting a potential retirement risk</li> <li>• Still a fairly new company, with low brand awareness</li> <li>• High standards of training slightly increase time to full competency in many areas</li> <li>• Significant upskilling costs for the gas industry due to skills shortage</li> <li>• Demanding physical nature of the field force roles – not attractive to all</li> <li>• Lack of diverse role models across organisation</li> <li>• Low levels of diversity in the gas industry – typically white, male dominated</li> <li>• Median payer strategy conflicts with higher salary rates required by those with scarce or niche skills</li> <li>• Considerable change impact of transformation and VR – unsettling employees</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Possible collaboration through EU skills or directly with other GDNs to tackle industry-wide skills issues</li> <li>• A positive announcement on the future of gas will support attraction and retention of people</li> <li>• Continued collaboration through EU skills, WES, Disability Confident</li> <li>• Changes in organisation design provides opportunities for lateral moves and progression</li> <li>• Partnerships with universities for early talent pipeline</li> <li>• Flexible working options for retirees to support retirement and knowledge transfer</li> <li>• Could extend the 'grow our own' approach in more areas, with better understanding and defining the business problems faced</li> <li>• New Cadent depot centric organisation design with more cross skilling</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Brexit related uncertainty and impact</li> <li>• Strong UK infrastructure project pipeline, creating considerable competition for skills</li> <li>• Significant engineering and cyber skills competition in the employment market</li> <li>• An unfavourable announcement on the future role of gas would increase challenges around attraction and retention</li> <li>• The 30/30 replacement programme presents a potential 'cliff edge' to the volume of replacement work</li> <li>• Could take a number of years to change social convention and encourage more women in to the gas industry</li> </ul>

This document is structured as follows:

- Defining the challenges and opportunities that must be addressed by our strategy
- Defining our ambition and strategic objectives
- Describing each of our 5 strategic objectives:
  - Current Position
  - RIIO-2 Action Plan
- Confirms the measures, targets and forecasted costs to achieve of our action plan

## Defining the challenges and opportunities that must be addressed by our strategy

In defining the right workforce resilience strategy, it is essential that we are clear on the challenges and opportunities that we face. We have developed this through a series of internally held workshops involving experts in our HR function, operational leaders across the organisation and business planning professionals. These have been informed by extensive horizon scanning to understand the future needs of our customers, stakeholders, communities and employees and benchmarking with other organisations in and out of the energy industry. We have considered how workloads will change in the medium (RIIO-2) and longer term, advancements in technology, including the potentially rapid digitisation and automation of the business that will impact on how we engage with our customers and wider stakeholders. This will also impact how we conduct our core work and the experience of our employees. Additionally, the requirements of our customer strategy (e.g. increased focus on data and analytics), the efficiencies we must deliver during RIIO-2 and the needs and requirements of our customers – recognising how these change by customer segment and over time.

There are seven 'problem statements' or requirements that our strategy has been designed to overcome:

1. We need to maintain a technically competent workforce throughout RIIO-2 to deliver similar work to that we deliver today, but with significant uncertainty in the longer term
2. There is a high degree of competition for technically competent engineering resources from a number of high profile construction projects (e.g. HS2) and the make-up of the contracting industry has changed (and continues to change) following the Carillion collapse in 2018
3. Despite recent progress in this area, we operate in an industry that has been very male dominated with a non-representative BAME and LGBT employee profile.
4. There is a rapidly changing skillset requirement in small certain parts of the organisation from technological advancements such as robotics, AI and machine learning
5. Despite significant improvement during RIIO-1, we continue to operate with an aging workforce, especially in core engineering roles
6. We are aware of a number of 'hot-spot' areas where it is difficult to replace, attract and retain specific and critical skill-sets for our business (e.g. AE and Safe Control of Operations (SCO) roles)

- The role of first line supervisors is increasingly important to drive local accountability and ownership customer outcome delivery

Against this backdrop, we have developed our ambition and strategic objectives for future workforce resilience.

## Our Ambition and Strategic Objectives

Our ambition is to maintain a workforce that is engaged, competent and committed to deliver the standards that our customers love. In assessing this aim and the seven problem statements described above, we have developed 5 strategic objectives that our workforce resilience strategy is built on.

Our workforce resilience strategic objectives are:

- Through strong employee proposition, engagement and commitment, deliver leading productivity and customer service
- Modernise our eco-system of suppliers and delivery partners
- To attract, develop and retain great people to productively deliver our services
- Our workforce to reflect the diversity of the communities and customers we serve
- Address the key skills shortages in the business and in collaboration with industry peers to ensure the continued safe operations of our networks

The table below shows the link between our problem statements and our strategic objectives. We are confident that by delivering on our strategic objectives we will not only resolve the medium term problems but also set ourselves up to be more resilient to withstand longer-term uncertainty.

	Strategic Objectives				
Problem Statement	Through strong employee proposition, engagement and commitment, deliver leading productivity and customer service.	Modernise our eco-system of suppliers and delivery partners	To attract, develop and retain great people to productively deliver our services	Our workforce to reflect the diversity of the communities and customers we serve	Address the key skills shortages in the business and in collaboration with industry peers to ensure the continued safe operations of our
We need to maintain a technically competent workforce throughout RIIO-2 to deliver similar work to that we deliver today, but with significant uncertainty in the longer term					
There is a high degree of competition for technically competent engineering resources from a number of high profile construction projects (e.g. HS2) and the make up of the contracting industry has and is changing following the Carillion collapse in 2018					
Despite recent progress in this area, we operate in an industry that has been very male dominated with a non-representative BAME employee profile					
There is a rapidly changing skillset requirement in small certain parts of the organisation from technological advancements such as robotics, AI and machine learning					
Despite significant improvement during RIIO-1, we continue to operate with an aging workforce, especially in core engineering roles					
We are aware of a number of 'hot-spot' areas where it is difficult to replace, attract and retain specific and critical skill-sets for our business (e.g. AE and Safe Control of Operations (SCO) roles)					
The role of first line supervisors is increasingly important to drive local accountability and ownership customer outcome delivery					

This document now focuses on each of the 5 strategic objectives, considering our current position and focuses on the action plan we will deliver against during RIIO-2.

# Through strong employment proposition, engagement and commitment, deliver leading productivity and customer service

## Current Position

In 2017 we became a stand-alone business along with a new, separate brand. This was and continues to be a period of huge change for the business with many conversations around what, as a new business, Cadent wants to be and prioritise. The creation of a new Employee Value Proposition (EVP) was high on our priority list.

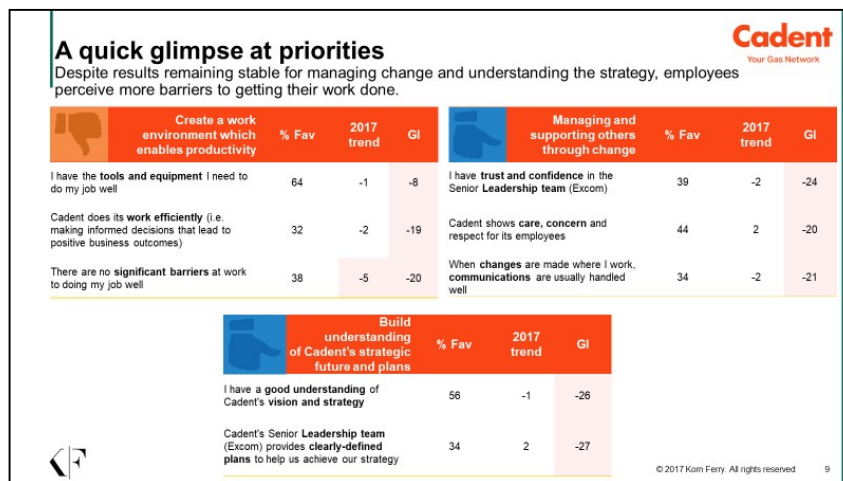
Over the last 2 years, we have worked on some complex projects - from understanding and defining the Cadent employer brand, to developing our strategic narrative and helping us to launch this across the business. Developing new talent campaigns, creating content for social media pages, and re-toning and branding our new competency frameworks has all been part of the journey.

More than anything, building our presence in the jobs market was the most challenging due to the low brand profile we have and the lack of understanding that the public have about the role of energy distribution companies. Following the creation of Cadent, there was a degree of uncertainty around who we were and what we did.

Our 2017 employee opinion survey achieved an overall response rate of 74% and our 2018 pulse survey achieving 62%. Overall, we noted a drop in engagement scores from 2016, which our analysis of the data has confirmed to largely be attributable to the degree of change being felt by people during the transition and post separation from National Grid and the unsettling impact it had on people.

The Pulse survey in 2018 showed that employees felt barriers still existed with getting their work done. This perception of significant barriers was driven by Field Force workers and first line supervisors. On the upside, there was evidence of positive impact on clearer strategy and plans by targeted action.

Figure 2: Example Engagement Priorities



## **Action Plan**

We have sought feedback directly from employees nominated (often self-nominated) to lead work for their team or department that directly responds to challenges noted in the employee opinion and pulse surveys. This has helped us to add far greater colour to the underlying trends that the main surveys provide us. Additionally, we have undertaken extensive benchmarking with other organisations to look into their employee value propositions and successes that they have had that we can leverage. We also continue to be part of the Quality of Experience (QOE) working groups that link together organisations from various backgrounds with the common aim of sharing knowledge, experience and good practice related to improving customer experiences through improving employee experiences. These have all fed into our forward-looking action plan.

### ***Raising our profile to attract and retain talent***

We have started to combat our relatively unknown brand with prospective talent in a number of ways. In addition to more broad brand awareness (e.g. social media campaigns, the use of Linked In to advertise vacancies, public safety campaigns, etc) we have instigated targeted graduate and apprenticeship campaigns, helping to raise our profile, amplify our EVP and build our brand in areas where we were competing to attract the top talent. We have formed close links with local education centres, especially those specialising in STEM subjects to allow us to promote the opportunities that a career with Cadent can offer and help us to understand the changing expectation levels of future generation employees

### ***Internal Engagement***

Alongside external attraction, we have worked with our Internal Communications team to help with internal engagement too. Specifically, projects focused on embedding our values across a multi-site and, at times, geographically challenging organisation.

We have built an online induction portal to support our new starters both as they are about to start and once they arrive into their new role. This portal provides a whole array of information from how we are structured, who we are, what we do and how we are regulated. We illustrate what our brand and values mean and explain the benefits of working for Cadent. The portal includes an explanation of how we operate and how we work to protect our environment amongst numerous other topics. The portal provides a simple and consistent entry point for our employees, an ease of access to information and an effective central location to evolve and shape alongside our business.

### ***Recognition and Reward***

As described in our Trust Charter (Appendix 07.05.00) we operate numerous recognition schemes, including Cadent Congratulates, social acknowledgement spaces, a Chairman's Award and long-term service awards. We will continue to offer these and improve them based on regular feedback that we get from champions that sit across the organisation.

From a reward perspective, Cadent follows a remuneration strategy as a market median employer, regularly benchmarking to ensure consistency. We offer a competitive defined contribution pension scheme for our employees, which includes company matched contributions up to 6%. Our longer serving employees have access to their defined benefit pension scheme as part of their historic terms and conditions.

### ***Employee Listening Strategy***

Regarding employee engagement, Cadent has developed an employee listening strategy. Since becoming a standalone organisation we have conducted a 2017 census and a 2018 pulse employee opinion survey. The survey is run by a specialist external supplier to guarantee the anonymity and confidentiality of the employee's responses and the ability to externally benchmark our results against the general industry, utilities and UK norm benchmarks. We have developed consistent themes for action planning right across the business in the following areas:

- Building understanding of Cadent's strategic future and plans
- Managing and supporting others through change
- Creating a work environment which enables productivity

A network of engagement champions supports the running of the surveys, ensuring we reach everyone in our organisation structure and that as many people as possible are encouraged to complete the survey.

### ***Local Action Planning***

This community also assist the action plans that are supported company-wide and keeps them focused on local issues to develop a series of 'you said – we did' scenarios to support and communicate our progress.

We will continue to drive local action planning, so our employees have a voice which translates in to activities they can identify with, so they feel valued and heard. When individuals feel included and valued, they are more likely to be highly engaged, and more productive. Improved employee morale will boost productivity and in turn improve the customer experience/satisfaction. Therefore, engaging our front-line employees who understand the needs of our customers and work to improve our processes and approaches for the benefit of the customer. Furthermore, by engaging with our staff and focussing on retention, we keep the best people in our business.

### ***Onboarding***

To ensure we can attract, develop and retain the right people with the right skills to productively deliver solutions to our customers, we need to ensure that new employees joining Cadent have the best onboarding process. We are reviewing and building on the induction process currently in place to ensure all employees are integrated into our organisational culture, and we can illustrate how the Cadent values are brought to life through the day to day. All employees joining us will benefit from a new induction that teaches them what they will do to put their talent to best use and how they will work with others to deliver on Cadent objectives.

### ***Employee Relations***

As part of developing and embedding strong employee engagement and commitment, we will continue building upon the current employee relations (ER) approach; creating short, medium and long-term strategies to aid positive and constructive ER. We have a long-standing relationship with the trade unions, which we want to foster within Operations, with ER strategies being created to support the business plans. This will further strengthen our relationships with the trade unions and demonstrate our continued commitment to working with them and our employees for the benefit of the business and our customers.



### ***Working in Partnership with Trade Unions***

As our business changes through our transformation process, we are focussed on working with the trade unions to;

- Be flexible between work types, eroding the traditional processes and displacing contractors e.g. completing Connections work, MRP
- Meet trade levels of cost and productivity
- Be rewarded in line with market rates (and incentivised appropriately)
- Deliver world class customer performance
- Be led and tailored to regional customer needs

### ***Other Employee Benefits***

Another key aspect of Cadent's EVP are the employee benefits such as our flexible working and family provisions policies. These policies have already been reviewed and considered as favourable for our employees, but there will be future work undertaken to evaluate whether we can further enhance provisions, as part of a long-term strategy to remain competitive within the market and provide more for our employees.

### ***Employee Volunteering***

We have committed to providing opportunities for all of our employees to have the chance to volunteer to support their local communities over RIIO-2. This is part of our Trust Charter (Appendix 07.05.00) and we know that this, along with our matched charity giving programme (which we are also continuing with) are highly appreciated by our employees. In RIIO-2, we are expecting to increase the level of employee volunteering by over 400%.

## **Modernise our eco-system of suppliers and delivery partners**

### **Current Position**

At the start of RIIO-1 we put in place an innovative suite of strategic delivery partner contracts for the primary delivery of all of our replacement work and much of our connections work. In the North West and West Midlands we have contracted with Balfour Beatty and in the East of England and North London with tRIIO, a joint venture between Morrisons and Skanska.

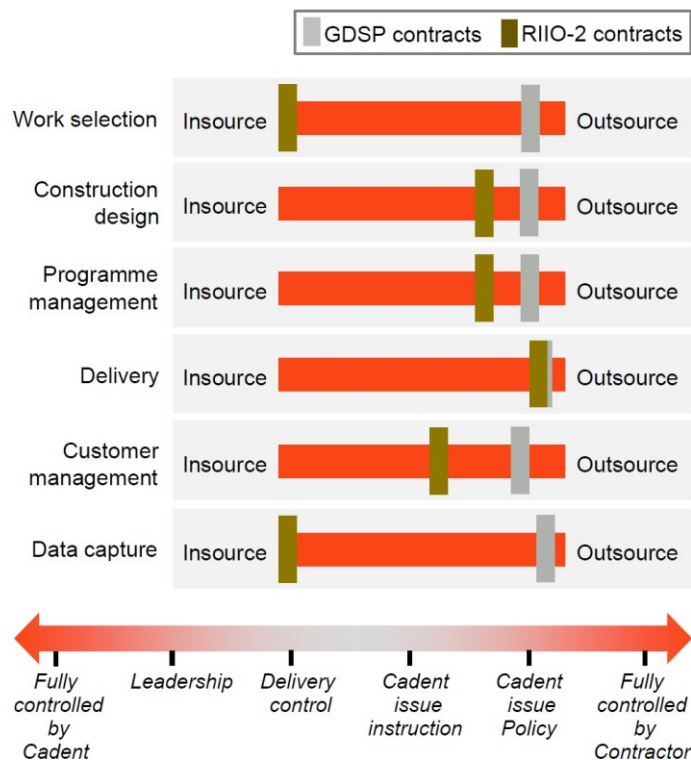
Whilst this approach initially provided us with the advantage of relatively competitive unit rates for the work that was being completed, as the construction market has evolved over the period, these competitive advantages have been eroded and the contracts have come under increasing pressure. Additionally, the expectations of customers, Ofgem and our shareholders have changed over time with far greater expectations on customer experience management and satisfaction levels.

These factors have led to a strategic review of our contracting approach that started in 2018. As part of this work, the balance of responsibility between Cadent and our contracted workforce has been challenged, along with the incentive mechanism and exclusivity of work committed through the contract. In 2019, we have established an internal delivery mechanism to work alongside these strategic partners to deliver a proportion of our replacement and connections workload.

## Action Plan

### ***RIIO-2 Contracting Strategy***

As we move into RIIO-2 we are looking to move to a more localised approach to how we contract to deliver much of the work currently completed by our two main strategic partners. We will explore the Tier 2 contracting market, opening up our works to more providers and increasing competition in the market. We are already testing this with our construction management model in the North West. This is trialling a new way of working, allowing us to market test the work as well as test both our (and our contractors') capability to deliver in this way. The diagram below shows how we are evolving our Gas Distribution Strategic Partners ('GDSP') contracts to ensure the skills and accountabilities are better balanced.



### ***Strategic Workforce Planning***

As shown in the diagram, by bringing work selection entirely in house and taking more direct control of design and programme management, this facilitates the holistic approach to strategic workforce planning that is introduced above. Rather than separate teams planning work and developing resource strategies for 'their work', one team per Network will join the planning requirements together. This will provide far greater opportunities for flexing work across the resources available and much more opportunities for multi-skilling resources to deliver different types of work as demand dictates.

### ***Resource Strategies***

Understanding future resourcing trends is critical in this area. We know that currently our mains replacement operatives' turnover rate is running at 7% annually (c.100 operatives per year). Through working with our partners, and horizon scanning to assess future trends, we expect this to remain fairly static over RIIO-2. This raises allows us to understand the ongoing need to replace resources through our various resourcing routes (described above) and to work with our new contract partners to manage the attrition successfully.

To deliver the mains replacement programme, resources who leave must be replaced, as the area is labour intensive, and the complexity of work is increasing significantly faster than any innovation to automate the process. Therefore, down-sizing the headcount resource is not a workable option.

We have developed a plan to recruit operatives via our strategic partners to fill these gaps and upskill them. The cost of recruiting and training to the required standard are detailed below – the calculation assumes the recruitment of unskilled new hires (which is common today) and a combination of three quarters of the population requiring Service Layer Competence and one quarter requiring Mains Layer Competence level (which reflects the composition of a typical mains laying team today).

### ***The establishment of Cadent's Contract Management Operation***

Through our operational transformation programme, we are creating our own contract management operation, which will bring a number of the activities currently outsourced back in house. This will create more control but also allow us to build an internal capability in an area that is very competitive.

## **To attract, develop and retain great people to productively deliver our services**

### **Current Position**

The relative age profile of our workforce has changed over RIIO-1 through a number of initiatives aimed at reducing the average age, including our award-winning apprentice scheme, experienced hire programme and flexible retirement options. Whilst (in particular in our field force) there are still a large number of employees over 50 years old, c.80% of our employees are now under 50 and around half under 40 years old.

Turnover remains relatively low at under 9% which reflects, in part the successful retention rates against our major employment schemes. Our apprentice retention rate is at 96%, our Engineer Training Programme is 97% and our graduate programme 87%. These compare very favourably to industry norm levels of around 80% for apprentice programmes and below 60% for graduate programmes<sup>1</sup>.

Of the 213 apprentices recruited during RIIO-1, 103 (48%) have been promoted. We have appointed 34 ETPs and 53 graduates over this time period with 41% of ETPs being promoted and 64% of graduates; 30% of whom have reached our management level.

These strong retention and development rates have been delivered by targeting different sources for talent:

- The external market for routine volume recruitment and specialist skills
- Internal mobility to upskill / cross skill current employees (e.g. training Customer Operations agents to become First Call Response Operatives in the field)
- Developing our own entry level talent through our award-winning graduate, student and apprentice schemes
- A joined-up talent management process across the organisation

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<sup>1</sup> Source: ISE Annual Development Survey 2019

- Succession planning at a departmental and Cadent level to ensure business continuity and support the talent management process
- Investment in management and leadership development
- Focus on technical and behavioural training
- Flexible retirement options which support controlled attrition rates and an average age reduction

## **Action Plan**

Our forward-looking approach builds off the successes of RIIO-1 and applies three distinct elements that take place sequentially and align to the broad employment cycle;

- *Plan* – Applying our Strategic Workforce Planning (SWP) approach to understand employee and market scenarios, capabilities, workload demand, and capacity with attrition / retirement levels. This includes the accompanying contractor strategy.
- *Resource* – Strategically resourcing the business from the market and determining what expertise and skills we build (grow our own) and what we buy.
- *Retain* - Retaining and developing our current staff to ensure high engagement, motivation and productivity so that Cadent is a place where people can stay and grow – these are key components of our employee experience.

The three elements of the plan, resource, retain cycle are described in more detail below

### ***Plan - Strategic Workforce Planning***

We recognise that we have typically applied a short and medium-term lens to strategic workforce planning in the past – focussing on one price control at a time. A relatively fixed and unchanging work-mix has meant that this approach has been a pragmatic and successful approach. As we look forward, there are additional factors that we must consider in our workforce planning approach (see SWOT), such as the uncertainties over the long-term requirements of the gas network, advancements in technology and changes to the external contracting market. We are therefore enhancing our approach to strategic workforce planning process, moving to a holistic approach that joins together HR, business planning, contract management and assurance resources to develop a single strategic and longer-term outlook. We are implementing a new version of Successfactors to support our ability to undertake this additional level of sophistication in our workforce planning, which will be complete during 2020.

Undertaking an improved level of workforce planning will help us to ascertain what skills are needed, how many people and ensure we can get them in to the right place at the right time. The importance of planning is referenced above under the ‘modernise our eco-system of suppliers and delivery partners’ strategic objective and is a common theme across our workforce resilience strategy. It will highlight the risks to our business, such as an aging workforce, and enable us to plan and mitigate such risks as best we can. Implementing more developed strategic workforce planning will also assist the business in controlling our costs as we will recruit and upskill in accordance with what we need at specific points in time (summer/winter flexibility), which in turn produces cost efficiencies for the consumer.

### ***Resource Strategy***

We will also build upon our existing resourcing strategies to develop the various resourcing avenues already established within Cadent; external recruitment, internal people development/mobility, growing our own talent via schemes, and succession planning.

Looking at new opportunities for apprentices for example or developing a NEETS programme. In addition, the new contracting strategy will provide each network access to local talent pools via tier 2 suppliers. These approaches will help us to ensure vacancies across the business are filled quickly and with the best people, so we can deliver the best service to our customers.

We have recently introduced new terms and conditions for our new hires across all grades in the business. Whilst being more cost effective, these are competitive terms in line with the wider market. The new terms and conditions deliver greater flexibility within the workforce, enabling us to meet the needs of our customers and stakeholders.

### ***Retention Strategy***

There is significant financial investment and time necessary to bring new talent up to the skills and competency level required to operate on gas networks (2–4 years before apprentices and engineering trainees become productive) and the range of external individual licenses and perimetry (Gas Safe, NRSWA, SCO, STC, etc). Cadent will measure retention after 1 year and 5 years, which is a proven talent retention measure and can be benchmarked.

We will continue to invest in training our new talent whether on schemes such as graduates or apprentices, or as experienced hires in to the business. Talent management processes will support aspirational, high performing people move through and across the organisation, building skills and experience through exciting career opportunities. This will be achieved through a structured company talent management process and supported by mentoring and coaching opportunities for key individuals.

Only by having the best people in the right positions do we deliver high quality results and increase our productivity. To lose a high proportion of those in whom we have invested would be detrimental to this. We have set an expectation to retain circa 50% of our scheme hires at the 10-year point after programme completion. This expectation feels realistic based upon previous retention stats to date and as millennials are more likely to undertake multiple employments throughout their careers, rather than maintaining loyalty to a single employer (Kurian 2017).

Furthermore, with an aging workforce we are currently at risk of losing key skills and knowledge from across our networks, which would hinder the service we provide. Therefore, by recruiting new talent and transferring the skills and knowledge to them, we mitigate that risk. We need to continue investing and developing our people so those with potential and key skills remain with us rather than becoming regretted losses. In 2018 we embedded a new handover and knowledge transfer process across the organisation which has been very successful in mitigating this risk. It ensures that Line Managers of the leaver / joiner oversees a robust handover such that the joiner is fully equipped to pick up the full role and any potential gaps can be bridged through development planning or sharing aspects of the role across others (with greater experience) in the team.

We have benchmarked our terms and conditions with those offered by other utility companies and organisations competing for talent in the core geographies that we work. Our new terms and conditions are based on market median base pay with upper quartile additional benefits, such as pension provisions and healthcare. These benefits increase with service which helps us not only to attract the right people into the organisation, but also retain them.

Our employee survey asked what factors are important to people in staying motivated and proud to work at Cadent. Opportunities for progression and recognition and reward were two of the main reasons given. This is why in almost all cases we prioritise internal resources when job opportunities arise over new recruits. We have put in place a comprehensive learning and development programme to allow individuals to train and build additional skills that are identified in their individual development plans, which supports internal promotions. The programme is refreshed at least annually to reflect the changing requirements of our employees and the organisation. In 2019 we introduced a number of first time line manager training courses along with tools and resources to support individuals in delivering or receiving change and in supporting better engagement with customers.

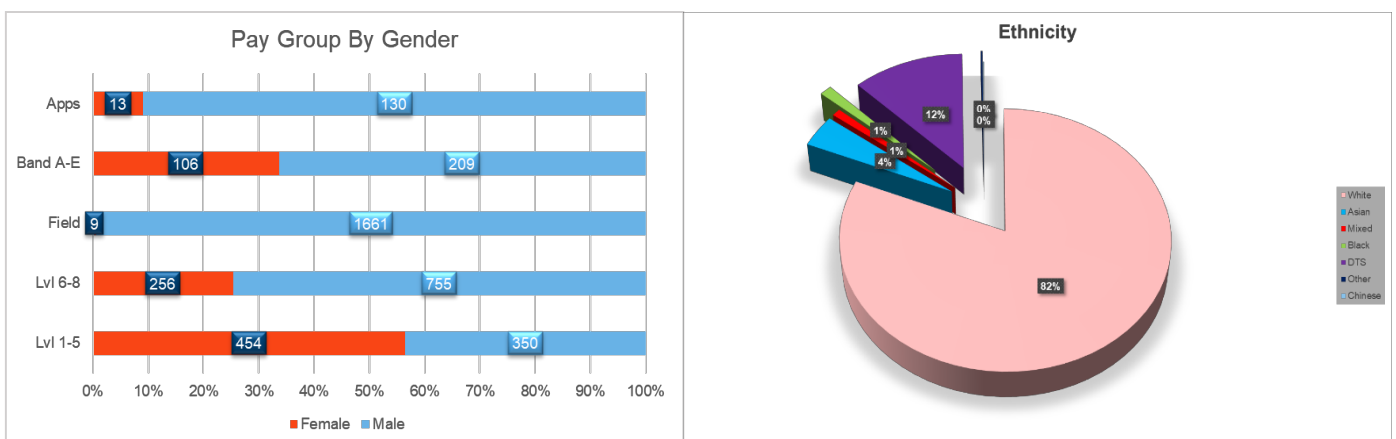
In our Trust Charter (Appendix 07.05.00), we outline a number of additional measures that we have put in place, based on feedback from our employees to make Cadent a great place to work. These are fundamental elements of our retention strategy and include volunteering schemes, tailored employee development plans, plans linked to our D&I strategy to improve the diversity of our workforce and various commitments to related to the health and wellbeing of employees.

## Our workforce to reflect the diversity of the communities and customers that we serve

### Current Position

We employ 3,943 direct office and field-force employees<sup>2</sup>. We are not unlike most other organisations who deliver the type of work we do; manually intensive, outside, typically low-medium skilled engineering based outputs. This work has traditionally and continues to appeal almost exclusively to men and until more recently, where we have seen a marked shift, to white males.

Overall gender and ethnicity profiles are shown below:



As the data shows, whilst the gender split is relatively even for staff grades (1-8), this shifts in favour of males as we enter management grades (bands A-E) and there is an overwhelming majority of males working in the field, with an improving trend being noted

<sup>2</sup> As of July 2019

through the apprentice scheme. At a macro level, the ethnicity of our workforce is quite consistent with that seen across the geographies that we work. However, as this is broken down into more detail, we note a lower than proportionate rate of BAME employees in management and field-based positions.

We are actively trying to address this through the application of our Diversity and Inclusion Strategy. Over RIIO-1 the proportion of intakes through our various employment schemes (described above) who are female has increased from 6.25% to 15.25%, with the graduate programme roughly at 50%. Each year we publish our gender pay gap figures. In 2018 our mean gender pay gap was 12.5%, which benchmarks considerably better than many similar organisations (such as Npower, SSE, Southern Electric Power Distribution, but far less favourably with organisations such as WWU, NGN and National Grid<sup>3</sup>).

At a national level we recognise that our gender pay gap is high, mainly due to changes in our leadership teams in 2017 to 2018 (this reversed quite considerably and will be seen in our 2019 report). However, we have a comprehensive action plan to address this (see below). In addition, we have appointed more women in senior positions in recent times, therefore creating more female leadership than ever before within the top layer of our organisation in 2019 (34%).

We have partnered with local educational organisations to support young adults with learning difficulties to gain work experience and ultimately find first time employment for a number of years through the EmployAbility scheme. We also partner with a number of charities and organisations who work with and support individuals with various disabilities to ensure that we have schemes and arrangements in place to provide the necessary support for current and future employees with various disabilities.

Last year we actively supported various LGBT events nationally across our Networks and in 2020 we will establish a focus group, led by one of our Directors to explore ways in which we can ensure that Cadent is a great place to work for employees of all sexual orientations. We are introducing unconscious bias training for all line managers and we will consider rolling this out for all employees. At present we do not measure the number or proportion of our employees who are LGBT but we will explore ways that we could establish a measure to allow us to track progress of the various initiatives that we have in this space

## Action Plan

Our commitment to diversity is supported through a dedicated diversity and inclusion policy, as well as statements covering D&I, flexible working and disability confident/reasonable adjustments in our job offer letters; whilst a D&I module has been included in the new hires induction for early talent. The Cadent supplier code of conduct is also published externally and is explicit about our desire to drive greater diversity in the supply chain.

We have also recently agreed a partnership with the Women's Engineering Society (WES), appointed a female engineer as our STEM ambassador, achieved level 1 of the Disability confident award (working towards level 2), created a D&I communications calendar to publicise and promote events across various backgrounds, and set up a D&I conscience

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<sup>3</sup> \*Source: <https://gender-pay-gap.service.gov.uk/>

group to oversee D&I activities, and creating employee led roundtable groups to understand ideas, opportunities and experiences.

Cadent's collaboration has already begun with the Energy and Utility Skills Partnership (EU Skills). The EU Skills Partnership led by sector employers, has recognised that its current workforce fails to fully represent the 65 million people it serves every day within its Workforce Renewal and Skills Strategy: 2020 (EUS n.d.).

It found 83% of the sector's workforce are male, compared to 47% for all sectors nationally (EUS n.d.). Whilst women, people with disabilities, the BAME community and under 24's have traditionally been under-represented in the energy and utilities sector, compared to national averages (EUS n.d.).

To tackle this challenge and to build a resilient workforce for the future, we have committed (along with 32 leading employers), to drive change and work collaboratively to attract, recruit and retain a more diverse talent to the sector – The EU Skills Sector Inclusion Commitment (February 2019). This means truly having a workforce which reflects the communities we serve by accessing and progressing talent from all backgrounds.

As described above in the executive summary, employing around 566,000 people across the UK, the sector will need over 221,000 new recruits to fill its expected skills gap by 2027. The EU Skills commitment will therefore challenge the sector to act and think differently to fill these gaps. It aims to inspire and connect with underrepresented groups, attracting new talent and ideas into the energy and utilities division. It is underpinned by 5 principles that commit to working collaboratively and sharing best practice, whilst creating an inclusive culture that enables us to attract, recruit and develop our people in a way where progress can be measured and transparent – The 5 principles are;

1. Work collaboratively as a sector to drive change, challenging ourselves to do things differently, by sharing best practice and delivering sector priorities
2. Focus on inclusion in its entirety, however our sector history requires targeted sector action to start by increasing gender, BAME and disability workforce representation.
3. Measure and be transparent about progress in our individual organisations and as a sector.
4. Ensure we create the culture we need to attract the workforce of tomorrow.
5. Be inclusive in the way we attract, recruit and develop our people.

We also promote further key programmes and activities to help facilitate the change that we need to make – these are:

### ***Talent Source Network***

Talent Source Network is the most recent area where we, with 20 other energy businesses, have signed up to a sector wide approach to market and promote the energy sectors D&I agenda, which will focus on hard to reach, BAME and LGBT communities to drive up interest in our business and more applications for employment. This is a grass roots approach to seize opportunities early before traditional mind-sets and practices take hold, aimed at breaking the cycle and commencing a process to increase more diverse applications.

### ***Springboard Development***

The Springboard women's development programme has been in place for several years with 70 participants since 2016. is designed for women from all backgrounds, ages and stages of



their lives. It allows women to enhance their own skills and abilities, challenge power and equality, while building confidence, assertiveness and a positive image. We offer these programmes to ensure that women within Cadent are given a tailored/targeted development offering and a platform to help them with career progression.

### ***EmployAbility***

The 'Let's Work Together' programme offers internships to young people with special educational needs, giving them valuable skills and exposure to the working environment over a 9-month period in their final academic year.

The programme has a simple but effective model with a positive impact on both the business and the student. Cadent identifies roles that an intern can fill while the special schools we partner with provide Job Coaches. The Coaches go into the business, learn the role, break it into component parts, train the intern and help them settle in. As the intern's confidence grows, the Coach backs away. Each intern spends about three months in the role and will do three internships over their final academic year. Cadent's conversions into employment from this programme are around 70% compared to the national average of 7% (Cadent Careers 2019).

### ***Creating an environment for customers with disabilities to thrive***

We will continue with our various charity partnerships with various organisations supporting individuals with various disabilities. These not only support our customer vulnerability strategy, but also help us to understand the specific needs of employees (current and future) with disabilities such that we can provide the necessary facilities to ensure a fully accessible and inclusive workforce.

### ***Education and Skills***

Cadent have already partnered with 4 of the 8 schools/colleges from our target areas (4 more being finalised); these are schools based within the communities we serve so we can improve the knowledge the children in these areas have about Cadent and the gas industry more widely. So far, we have designed, developed and delivered 2 lessons in our partnered schools, which were delivered by our Cadent Ambassadors; these are employees from across the business who want to actively promote Cadent and STEM to the potential workforce of the future.

We have set up a mentoring programme starting in Autumn 2019 with the Social Mobility Foundation along with committing to and signing the Social Mobility pledge. Earlier this year we successfully delivered two work experience weeks (an operational week in Windsor Street and a commercial week in Hinckley) as part of our strategy encouraging children from all backgrounds to learn more about us and stimulate interest in both engineering and Cadent.

### ***Resource Strategies***

In addition to using the resourcing avenues we currently have, we will ensure our resourcing strategies and approaches include opportunities to improve on diversity and reaching a diverse candidate pool. Our ambitions below detail this further.

We will continue with our Employability programme aimed at youngsters with special educational needs. This gives us a good pipeline with conversions of individuals in to employment of circa 70% compared to a UK national average of just 7% (Cadent Careers 2019).

***Outreach Strategy***

We are using the Education and Skills Outreach Strategy to stimulate early interest in engineering in schools. Our ambition is to increase our annual spending for this to enable us to work with up to 20 schools per year. We will continue with our community volunteer initiatives to support communities, particularly our Education & Skills Ambassadors who work with schools to support STEM subjects and to stimulate and inspire associated careers and experience.

Working with communities and schools is vital for the long-term talent pipeline in to engineering, as it not only supports at the grass roots level, but further supports the diversity of the industry. Only 1 in 5 university students studying Engineering are from a BAME background, so we have a role to play as an ethical and responsible employer, securing the required diverse talent for our future (BITC 2015).

***Ambitions***

We have set ambitious targets to achieve in RIIO-2. These were reinforced and supported by our customers during our enhanced engagement programme that has supported the development of our RIIO-2 business plan. The way that we treat our employees ranks very highly in our customers' priorities in terms of building their trust in us as an organisation. A key factor that they see is our provision of equal opportunities for all and the representation of females (in particular) in senior management positions. Our ambitions are clearly described in our Trust Charter (see Appendix 07.05.00), against which we will report progress annually on our website, through social media and with our Customer Forum.

## Address the skills shortages in the business and in collaboration with industry peers to ensure the continued safe operations of our networks

### Current Position

Our organisational workforce planning considers the demographic and skills profile of our workforce along with the business objectives and strategies of the future. We have identified several risk areas where skills shortages may occur in Cadent if effective interventions are not taken:

- **Digital risk and Security/Cyber skills** – Cyber security involves a skillset, which the Energy and Utility Skills Partnership has identified as being in short supply in the UK (EUS 2019), whilst Digital skills are likely to increase in demand (CIPD 2017).
- **Electrical & Instrumentation engineers and managers** – These highly skilled people are important to the operation and maintenance of many of the most critical assets across our networks, including NTS offtakes and the telemetry and control systems that apply to the higher-pressure assets within the network. These skills have also been identified as scarce by EU Skills (EUS 2019).
- **Mains layers** – This is comfortably the largest single element of our investment plan in RIIO-2 and the work to be completed has an increased volume of complex mains laying work, as outlined in investment Appendix 09.02.
- **SCO (Safe Control of Operations) competence** – SCO competence is vital to the industry and our organisation. This industry framework covers a huge range of skills including excavation work, mains laying and other operations that could impact the network, welding and hot works, operations on the higher-pressure tiers of the network and operations on the electrical and instrumentation systems that control the network.

There is a need for greater SCO capability within our operative and first and second line manager population in Operations. Our forecasts predict that SCO levels 4 and 5 work types are increasing, whilst, as an example, in the North West Emergency Response and Repair team, 6 out of 7 fully SCO trained engineers are due to leave in the next 2 years.

- **Commercial and contract management skills** – as we progress in to GD2, our business plan requires greater understanding and emphasis on first line managers and engineers possessing commercial and contract skills, as per the wider strategy of localism and depot centric management, with a greater focus on innovation and competition.
- **Management/leadership skills and behavioural upskilling** – We want to upskill our managers and leaders further to improve the calibre and quality of management and leadership they demonstrate.
- **Project Engineers** – We currently rely on contracted employees to fill these roles, which is not a sustainable solution for a cost conscious, commercial organisation. Therefore, these skills need to be brought in-house, but may require higher salaries due to market demands.

- **Geographical Limitation** - roles based within certain locations present recruitment challenges, such as those based in remote locations within Cambridge, Cumbria or Barrow.

The skills shortages outlined above are likely to worsen as the government is investing more than £425 billion in over 600 major projects across the UK (to 2020/21 and beyond). Nearly half the projects in this pipeline are assigned to electricity, gas, water & sewerage and waste, making the energy and utilities sector the largest single contributor to government's UK infrastructure strategy (Infrastructure and Projects Authority 2016). Therefore, the organisations within these sectors will be competing for the same skills in an already competitive and scarce market.

## **Action Plan**

Many of the plans in place against our first strategic objective (to attract, develop and retain great people to productively deliver our services) also support this objective. However, in addition we have outlined the following plans to target this specific area further.

### ***Strategic Workforce Planning***

This is described in more detail under the 'attract, develop and retain great people' strategic objective above. However, it is an important factor here too. The implementation of a centralised SWFP process and improved succession planning will allow us to plan and implement relevant upskilling of our workforce or buy in the skills required from outside; thereby improving both our training plans and resourcing strategies. This would in turn improve the customer experience, as the aim is to get the right person with the right skills to the right place, to complete the work effectively and efficiently (i.e. improving productivity).

### ***Collaboration***

We will utilise the relationships with EU Skills and our industry peers to create solutions around skills shortages. For example, a combined approach for apprentices or experienced hire recruitment to avoid all utilities companies searching for the same skills in the same limited talent pool; a collaborative training course or academy for specialist skills could also be explored. There is potential for Cadent to collaborate with other GDN's to develop training for specialist skills to ensure the industry has a strong pipeline for the future.

### ***Reward***

Our total rewards packages will need to be reviewed in accordance with certain roles; as although we have competitive packages, specific skilled roles do demand premiums. These include roles relating to digital and cyber security, and to electrical engineering at the management and technical level. Creating more flexibility across our grading structure and terms and conditions allows us to be more competitive when competing for niche or specialist resources.

### ***Digitalisation Resourcing Strategy***

In IS we have a sourcing strategy which considers what should be done 'in house' and what would be better delivered by 3<sup>rd</sup> parties and strategic partners. For the Cadent roles in key areas such as Cyber and Data it has been a struggle to recruit the right people with the right skill set. They are scarce resources in the market and therefore finding them and securing them at an acceptable cost is very challenging. So we have adapted our approach and are recruiting more "junior" and less experienced resources and then investing in their

development and in effect “growing our own”, including using apprenticeships funding and training plans. Whilst we still expect that areas such as data and cyber will see higher turnover than other areas of our organisation, this approach alongside the strategic partnerships we have or plan to have in place should mean that we have the right skills needed.

### ***Cross Skilling***

Cross-skilling will be used in a targeted fashion to avoid obsolescence and improve the utilisation of resources. Some people will be trained to extend their competency across emergency/ repair/ service laying/ mains replacement/ maintenance, for example in rural areas where workload is less dense.

### ***Creating Career Groups***

With regards to management/leadership skills and behaviours, we recognise that our managers and leaders play a critical role in the engagement and motivation of our employees. We are working hard to identify the key career groups needed for our business to provide functional and technical clarity for these groupings alongside the behavioural frameworks that have been developed.

### ***Focus on behavioural in addition to technical competencies***

Our behavioural frameworks provide ‘how our people work’ while our functional and technical skills framework provides ‘what they work on’. Our behavioural framework helps us to better understand and direct ‘how’ work is done, and not just ‘what’ is done. It supports our values directly and is an important addition to our talent strategy and plans, leading to richer conversations about development and succession.

### ***Learning and Development***

We have also developed an extensive development catalogue with complementary learning journeys for different levels of Cadent. We have invested in digital learning to create more variety and ease of access to learning. All these aspects are being undertaken to tune into the future of work and to support the variety of learning methods that suit a multi-generational workforce.

We will also continue to shape and evolve our general learning solutions to offer a wider range of opportunities to learn on the job, and by digital and social collaboration; promoting open communities, enabled and empowered by technology. Our new cloud-based systems offer many integrated components that will be rolled out over time and that will increase the virtual learning spaces, creating more opportunities to learn together and to share knowledge. The adoption of cloud-based services and applications alongside bite size, on demand learning at the point of need, will dramatically increase the flexibility of our learning solutions, enabling us to meet the increasing needs of our people in an agile, scalable and responsive way.

### ***Personalising Development***

In addition to providing every employee with the opportunity to develop their own development plan alongside their line manager, the offerings will seek to help people solve business problems and not just seek to develop the person. The investment in people will become more business focused and purposeful. Overall, we will improve our access to learning and reduce the number of days our people are away from work to undertake training.

## Measures of success and costs to achieve

By delivering on our strategic objectives we will significantly increase our workforce resilience. This will be achieved through significantly increased engagement, inclusion and retention of our people, and by making Cadent a natural choice for talented people to develop their skills and careers. We have set some ambitious targets and these are set out below, along with those areas of largest cost to achieve

Our Strategic Objectives	Target / Measures	Cost to Achieve <sup>4</sup>
<b>Through strong employee proposition, engagement and commitment, deliver leading productivity and customer service</b>	<ul style="list-style-type: none"> <li>• &lt;5% regretted loss</li> <li>• 90% retention rate for schemes completed, 85% retention rate after 5 years and 50% retention rate after 10 years</li> <li>• Employee engagement and enablement levels</li> <li>• Customer Satisfaction</li> <li>• Productivity</li> <li>• Improve new hire inductions</li> <li>• Change our approach to engagement surveys to be more flexible and dynamic</li> <li>• Seek to improve our policies for employee benefit</li> <li>• Have effective relationships with the TU</li> </ul>	<ul style="list-style-type: none"> <li>• Cost of induction improvements</li> <li>• Engagement surveys = £50,000 annual budget</li> </ul>
<b>Modernise the eco-system of suppliers and delivery partners</b>	<ul style="list-style-type: none"> <li>• Ensure adequate resources in place to meet workload demands</li> <li>• Medium-long term SWFP</li> <li>• Labour costs, to assess whether they are decreasing</li> <li>• Productivity levels</li> <li>• Succession Planning</li> </ul>	<ul style="list-style-type: none"> <li>• Headcount increases – offset by movement of heads &amp; reductions in business</li> <li>• Potential cost of installing new software to assist with accurate forecasting</li> <li>• 1 x L6 per network to cover SWP with partners = £220,800 p.a.</li> <li>• Recruitment &amp; training cost to cover mains laying attrition = £2,612,000</li> </ul>
<b>To attract, develop and retain great people to productively deliver our services</b>	<ul style="list-style-type: none"> <li>• Cost &amp; ROI- have we saved on cost? Are we providing value for our customers? Are we getting the right returns on our recruitment campaigns?</li> <li>• Succession planning and duration of empty vacancies/time to hire – are we getting the right people in to the right roles at the right time?</li> <li>• Retention rates</li> <li>• Regretted leaver rates (&lt;5%)</li> </ul>	<ul style="list-style-type: none"> <li>• Headcount increases – offset by movement of heads &amp; reductions in business</li> <li>• Potential cost of installing new software to assist with accurate forecasting</li> <li>• Total cost of recruitment</li> <li>• Potential cost of developing talent and succession platforms, if required</li> </ul>
<b>Our workforce to reflect the diversity of the communities and customers we serve</b>	<ul style="list-style-type: none"> <li>• 50% male:female split in graduates and students, with an increase in female apprentice intake by 2020</li> <li>• Increase of females at Bands A-D by the end of 2020</li> <li>• Increase in female directors by the end of 2020</li> <li>• Increase in identified BAME talent by the end of 2020</li> <li>• Review support provided for flexible working by end 2019 Reporting % Ethnicity/Gender/Age/LGBT/ Disability (demographics) of candidates at each stage of the recruitment process</li> </ul>	<ul style="list-style-type: none"> <li>• Cost for Unconscious bias training for Band D+ managers &amp; hiring managers = approx. £72,000</li> <li>• Increase budget for Education &amp; Skills outreach</li> <li>• Cost of Springboard course = approx.. £3,300 per course</li> </ul>

<sup>4</sup> Where possible, precise costs are shown. In other cases, where this is not known either estimates are provided or a description of areas of additional spend

	<ul style="list-style-type: none"> <li>• Increased opportunities for people with disabilities</li> <li>• Demographic profile of Band Ds and above (middle-senior leaders)</li> <li>• Unconscious bias training completion rates</li> <li>• Annual Gender Pay reporting</li> <li>• Feedback from Springboard attendees</li> <li>• Demographic profile of our Field Force employees, who are working on the front-line with our customers</li> <li>• Unconscious bias training for all Band D upwards and recruiting managers by end 2020</li> <li>• More networking and coaching opportunities for high potential females post Springboard programme – by end 2020</li> <li>• Succession planning - Have at least 2 diverse candidates for each Director position by the end of March 2020</li> <li>• % of flexible working applications approved/rejected</li> </ul>	
<p><b>Address the key skills shortages in the business and in collaboration with industry peers to ensure the continued safe operations of our networks</b></p>	<ul style="list-style-type: none"> <li>• &lt;5% regretted loss</li> <li>• 90% retention rate for schemes completed, 85% retention rate after 5 years and 50% retention rate after 10 years</li> <li>• Filling and retaining critical skills to the business and minimise regretted losses</li> <li>• Medium-long term SWFP</li> </ul>	<ul style="list-style-type: none"> <li>• Headcount increases – offset by movement of heads &amp; reductions in business</li> <li>• Potential cost of installing new software to assist with accurate forecasting</li> <li>• Cost of recruitment campaigns and/or agency fees</li> <li>• Cost of any collaborative approaches</li> </ul>

## Conclusion

Our workforce resilience strategy has been developed against a backdrop that considers the following external factors:

- We face a 'cliff edge' in terms of attrition in the Energy sector workforce, with 20% retiring in the next 10 years creating 220,000 vacancies
- There will be a 'generational shift' in the workforce, precisely to fill that gap in pure numbers, but also in terms of mindset, expectations and outlook. Younger millennials and Gen Z are digital natives, socially and environmentally active, naturally inclusive, attracted to organisations that are purpose-led, and that build / protect all forms of capital (social, natural, human and financial), and to a greater extent, they value experiences and learning above promotion, etc.
- Work in the future will become more digital and automated - the companies that win will have fully developed digital skills and (importantly) mindset within their workforce. We will therefore have to further develop the (often referred to as 'softer') skills that will assume greater prominence with robotics and AI underpinning much of the transactional side of peoples' roles i.e. customer service, data-driven decision making, leadership, coaching etc.
- We will (and indeed are) moving from a view of the world as 'supply-chains' to one based on 'eco-systems' - more co-dependent networks of partners, stakeholders, communities etc. - which drives our organisations to be less transactional and adversarial, and to become more strategic and collaborative. As the number of touch-points within the eco-system increases, it places increasing demand on your agility, responsiveness, decision making, which in turn has implications for workforce strategy.
- The drive for inclusion now very firmly includes disability and LGBT as well as gender and BAME and our future workforce will be intolerant of those companies who are not fully inclusive.

In response to these factors and several additional challenges related directly to our industry or business, we have identified five strategic objectives. The first recognises that in order to attract the workforce of the future therefore, we must pay attention to and reflect the changing expectations of employees explicitly in our Employee Value Proposition. The second focusses on how we will establish a modern and fit for purpose eco-system of suppliers and delivery partners that mitigates the risk of changes in work types and volumes and competition for similar skills. The third focusses on how we attract and retain great people, including those with new and emerging skills. The fourth focusses on building on our learning from RIIO-1 and being more proactive to create a truly diverse and inclusive place to work. And finally, we will Address the key skills shortages in the business through collaboration with industry peers to ensure the continued safe operations of our networks.



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