



# A10 - NGN RIIO-2

Workforce Resilience Strategy

*together*  
**we are  
the network**

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# 1 Introduction

At NGN, we value our people. We consider our workforce to be our greatest asset, it is what sets us apart from other networks and ensures that we can operate at the frontier level that we do. We recognise that to get the most value out of our workforce, we need to develop, incentivise, nurture and motivate our people to ensure that we exceed our business expectations.

Our dream is to become the UK's most loved, admired and respected company, and to establish a reputation for doing business really well through a united and empowered team that is mind-blowingly great. And it's not just a pipe dream, we're striving for this every day. That's why we only employ people that have high levels of personal integrity and pride and who demonstrate passion and enthusiasm to deliver the best possible experience for colleagues and customers.

Our dream lies at the centre of everything we do and has been translated into a unique set of values that reflect and reinforce our culture, as outlined in Table 1.

Table 1: Our Values

Value	Description
<b>Intellectually Curious</b>	We believe in the power of combining intelligence, experience and curiosity to deliver innovative, invigorating, future-proof and sustainable ideas.
<b>Trailblazing</b>	We're putting people first and championing collaborative thinking and revolutionary practices every step of the way.
<b>Heartfelt</b>	We want everyone to be recognised for their passionate, proud and heartfelt desire to do their very best.
<b>Happy</b>	We're committed to becoming a dynamic, caring and rewarding business that empowers everyone to feel good about what we do.
<b>Empowered</b>	We encourage individuality, teamwork, passion, courage, new experiences, growth and change.
<b>Community Focused</b>	We're loyal, supportive and respectful towards one another and the community we live and work in.

We consider that we offer a truly ground-breaking proposition for our workforce that is focused on our heartfelt desire to put people – our team, our customers and all stakeholders – at the forefront of everything we do.

Every member of our team is passionate about the contribution that they make to our growing reputation as a pioneering, effective, conscious and enlightened business that is focused on changing the way that things are done and ensuring resilience against future challenges.

Our approach is targeted at breaking down conventional practices to build a team of empowered, motivated and positive team players that share a genuine sense of pride, passion and respect in providing an exceptional level of service to our customers.

## 1.1 Our Progress in RIIO-1

Our forward-looking strategy for RIIO-2 and beyond is not starting from square one. We have maintained an intense focus on ensuring workforce resilience during RIIO-1 to ensure that we have a modern, diverse, high quality and well-trained workforce that is fit for the future.

Our success in RIIO-1 is part of a carefully developed strategy to understand what the future needs of the business are and to respond to them to mitigate any impact before the event occurs. In RIIO-1, we have worked extremely hard to ensure that our business and workforce is resilient to an even more challenging future in RIIO-2 and ensure that we have a strong foundation to build on our workforce strategy moving forward. Our focus on workforce resilience has also identified gaps where we could do more to be at the frontier of embedding a happy, diverse, sustainable and resilient workforce to deliver excellent outcomes to consumers and stakeholders.

We look after all of our colleagues, providing a supportive and fun working environment where we embrace creativity and innovative thinking, as well as offering a range of learning and development opportunities. That's because we know that without passionate, well trained colleagues, we simply can't continue to deliver the level of service that our customers value.

Key outcomes achieved in RIIO-1 are outlined in the sections below.

### 1.1.1 Investing to Create a More Dynamic and Diverse Workforce

We have invested in developing a suite of people related policies and have established ourselves as an equal opportunities employer through RIIO-1. We do not tolerate behaviours of exclusion or harassment of any form and aim to create a diverse and balanced workforce.

In RIIO-1 we identified a future risk due to the aging nature of our workforce and implemented change to ensure we maintained diversity across age groups. Through an over 55's retirement programme, 183 colleagues left the business on favourable terms. More than £30 million of funding for the scheme was provided directly by shareholders, so had no impact on customer bills. This resulted in a reduction in the average age of our workforce from 48 to 38 and provided us with an opportunity to recruit a diverse range of new people and skills to drive the business forward. In the recruitment of new colleagues, we were aware that we needed to maintain the competence of our workforce and so our approach to replacing these skills was to recruit more experienced staff, rather than apprentices. This has had the effect that in RIIO 1 our recruitment of apprentices has been lower than what we forecast in RIIO 2. However, the success of this approach has been to ensure competency that we can now exploit in RIIO 2 to integrate a new stream of colleagues to learn from our competent staff and take the business forward.

Additionally, we have implemented the following initiatives to support our commitment to a diverse workforce:

- Review of job advertisements to make sure language is best practice and appeals to a more diverse range of applicants.

- Career transition partnership through the Armed Forces covenant<sup>1</sup> – This is agreement that assists personnel leaving the armed forces in preparing to enter the civilian job market and make a successful transition to employment, or achieve the wider vocational outcome they seek.
- CIPD's<sup>2</sup> pilot Parents Return to Work scheme<sup>3</sup> – We are currently participating in a pilot return-to-work programme to support parents living in Yorkshire and the Humber who wish to re-enter the workplace. We are one of 25 employers in Yorkshire and the Humber who are involved in the pilot, and will receive training to improve our 'returner' recruitment policies and practices. This will include ensuring that recruitment policies are inclusive and reviewing flexible working arrangements
- Pilot of an internal leadership programme on improving recruitment practices, organisational culture, increasing shared spaces, social mixing, improving equity and some specific leadership and frontline staff training.
- Membership of the Energy and Utilities Skills Partnership.<sup>4</sup>
- A guaranteed interview for female applicants for operational roles.
- Membership of WiSE<sup>5</sup> - WiSE is a campaign to enable and energise people in business, industry and education to increase the participation, contribution and success of women in STEM<sup>6</sup>.

We have also increased staff competency and ensured resilience through leveraging value from the market to help insource new skills and we routinely insource and outsource activity with the aim of managing costs but also sourcing skills from the market. A key example of this in RIIO 1 is the outsourcing of maintenance in 2015 that was re-insourced in 2018.

In 2015 we decided to outsource our maintenance activity for two main reasons, firstly as the contractor was a specialist pipeline maintenance company, there was the potential to embed skills and capability to refresh the workforce much more quickly than NGN would be able to do in house. As discussed above, in 2015 the age profile of the maintenance team was an issue, with a cliff edge looming if the workforce was not refreshed. The second main reason was to allow some commercial comparisons to be made by using a pseudo tier 1 contractor where we could measure costs much more accurately and get true market rate for maintenance tasks, to ensure we were resilient to future cost pressures.

The outsourcing was a success and ran for two years and in 2017 it was decided to fully outsource maintenance by outsourcing the Electrical and Instrumentation (E&I) and gas quality functions. This full outsourcing was generally very successful with the workforce gradually becoming refreshed and the contractor delivering the work as per the contract. However, the costs did not reflect the efficiency that was anticipated.

In the lead up to our RIIO 2 planning it became apparent that the industry would be under severe cost pressures in GD2 and the outsourcing of maintenance would not be an efficient way forward. A

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<sup>1</sup> <https://www.gov.uk/guidance/career-transition-partnership>

<sup>2</sup> Chartered Institute of Personnel and Development

<sup>3</sup> <https://www.cipd.co.uk/about/media/press/parent-returners-project>

<sup>4</sup> <https://www.euskills.co.uk/about/energy-utilities-skills-partnership/>

<sup>5</sup> Women in Science Technology & Engineering

<sup>6</sup> <https://www.wisecampaign.org.uk/>



decision was made at the end of 2018 to insource maintenance back within NGN. As part of this approach a risk assessment was carried out with particular emphasis on retention of skills and competence.

The insourcing of maintenance has resulted in circa £1m per year savings without compromising workforce skills or competency.

#### 1.1.2 Implementing New Terms and Conditions

We rolled out new terms and conditions for current employees and new starters, which are in line with the market and reflect the skill sets we require. Over 500 operational colleagues are forecast to be on new terms and conditions by the end of RIIO-1. The new arrangements include an incentivised performance framework for colleagues, with bonus schemes aligned directly to RIIO-1 commitments and reflects both personal and company success. This strategic approach was designed to address the historic and more costly terms and conditions of the existing workforce, to drive productivity by implementing new terms and conditions and to reduce the average age of our workforce.

#### 1.1.3 Providing an Attractive and Flexible Working Environment with Added Benefits.

In addition to reviewing terms and conditions in RIIO-1, in response to colleague feedback we have reviewed our wider offering to attract new and diverse talent. We offer a competitive reward package, which together with base pay, includes:

- Paid holidays
- Sick pay
- Company contributions towards a pension scheme
- Income protection and death in service arrangements
- Appropriate clothing (for those working in operational roles)
- A pleasant working environment.

We also have a flexible benefits scheme that includes childcare vouchers (more recently replaced by child tax free benefits), cycle to work scheme, holiday purchase, gym discounts, health plans and discount vouchers for high street stores and restaurants. This is backed by a comprehensive range of business policies that ensure our staff feel safe, secure and valued, which ultimately means they can deliver more value.

We are also cognisant that when you have a family, juggling personal and work life isn't always easy, so we have family friendly policies which help provide flexible working solutions to meet everyone's needs. This includes the introduction of an enhanced paternity leave policy in RIIO-1. Colleagues can now request up to 6 weeks of Company Paternity Leave, 4 weeks of which will be on full pay. This leave can be requested from 2 weeks before the birth until 1 year afterwards and can be split across this period. The introduction of this market leading policy was to complement our enhanced maternity leave policy of 6 months at full pay.

#### 1.1.4 A New Engagement and Involvement Strategy

Our engagement and involvement strategy has transformed our culture and opened channels of two-way communication, enabling colleagues to have a true voice within the organisation and the delivery of our objectives. Our approach is based on the concepts of Citizenship and the principle that all our colleagues, including those working for our service providers, have the right and opportunity to bring forward new ideas and challenges to current working practices and principles. Colleagues are then supported with both time and expertise to examine and develop a business case for change for the

senior management team to consider. This has resulted in several high-profile changes to parts of our business including colleague terms and conditions and the quality and delivery of operational training.

We provide a number of two-way communication channels to facilitate colleague engagement to ensure that our workforce are heard and valued. For example, we have a monthly CEO call where our CEO provides an update on key topics across the business and responds to questions from colleagues. We also hold “NGN Bounce” ideas-sharing forums and safety workshops across our sites, among other initiatives.

We consider that these initiatives have improved the level of colleague engagement in RIIO-1 and we will continue to deliver these initiatives in RIIO-2.

#### 1.1.5 Personal Development

We’re a people powered business and we value ideas and imaginative thinking which is crucial if we are to deliver an affordable, reliable network for today and meet the energy challenges of the future.

Our goal is to give everyone the opportunity to grow in their career, develop new skills and provide the support to help them in their role. In RIIO-1 we have delivered a range of learning opportunities to develop our talent and help us build a sustainable, happy workforce. These opportunities range from mentoring programmes to our buddy network (where colleagues share their skills and knowledge), to conflict resolution and engineering know how.

In addition, a Development Director was appointed to the senior management team in 2016. We are committed to developing our people and now offer personal development plans to ensure continual progress, career opportunities and acquisition of new skills; while a bespoke leadership development programme nurtures our current generation of leaders and we will increase our focus on capturing the next generation of senior leaders. A new training and development facility opened within our Leeds head office in 2019, to allow us to deliver bespoke training more easily.

We have also recently developed a NGN-specific leadership development guide, “Leadership the NGN way” in which we have set out what we think great leadership should look like at NGN and why this is important to us. We believe that it is only through skilled, authentic and honest leadership that we will continue to lead and be a successful company in our fast-changing sector. This guide will be issued to leaders at NGN to promote the behaviours and values that form the ‘NGN Way’ and to ensure that a consistent message is cascaded from the top to the bottom of our company.

##### **Box 1: Leadership the NGN way**

To support the establishment of our Development Centre, we have recently developed Volume 1 of a series of leadership resources available to all current and aspiring leaders at NGN. This volume “Leadership the NGN way” sets out key lessons, challenges and observations of being a modern leader.

*“This book is about people, what makes us human and what it takes to be an effective, trusted and admired leader. Its lessons, challenges and observations are the result of the enlightened attitude of NGN in creating the Leadership Development Centre to prepare our organisation and its highly-valued people to meet and overcome the challenges of a fast-changing sector. It is only through skilled, authentic and honest leadership that NGN will continue to lead and succeed in our marketplace.”*

Source: *Leadership the NGN way*, Volume 1, 2018.

We have also introduced initiatives that look to exploit the vast amount of experience we have within the NGN Alumni who have made the choice to end their working careers but want to maintain a direct involvement in the industry and communities they have served for most of their lives. A 'Mentoring' scheme has seen highly experienced ex-colleagues become mentors for younger and less experienced colleagues that seek to complement their formal development and training with on-site support as they encounter challenges in their day to day activities. This is a key element to ensuring there is both continuity in knowledge and culture in a rapidly changing environment.

#### 1.1.6 Mental Health Awareness

We have introduced a bespoke mental health awareness programme which is a key theme of the NGN Health and Wellbeing Strategy and commits to providing a healthy working environment and improving the quality of working lives for all colleagues. The mental health awareness programme provides our colleagues with increased awareness on tools and techniques to recognise and manage the signs and challenges of mental health and stress in the workplace. All line managers have been through a 1 day training course around mental health awareness, stress management and an introduction to Stress Risk Assessments. Due to the success of these workshops, further workshops have been planned with other colleagues.

#### 1.1.7 Supporting the Recruitment of Apprentices and Graduates and Students

We are a major regional employer, we're constantly searching for fresh new talent to improve our service to the public. For us, new people are vitally important and we're committed to investing in our year in industry, apprentice and graduate programmes so that there is always a new generation waiting in the wings as experienced colleagues retire.

Our apprentice programme provides comprehensive training for those from all walks of life and gives our apprentices the chance to get a formal qualification while they earn, through a combination of on the job training, exposure to the wider business, one to one mentoring and study.

We offer a diverse range of opportunities across our network, from engineering apprenticeships to office based roles. In RIIO-1 we have successfully recruited and trained a new wave of apprentices and graduates across many areas of our business. We provided these colleagues with the necessary support, training and leadership to take the business forward. At the same time these colleagues have brought new skills and ideas into the business that in turn has developed and supported the existing workforce. Through our development centre and our objective to ensure that we have a competent and resilient workforce that is dynamic and responsive to future challenges, we will continue to invest in the recruitment and retention of apprentices and graduates in RIIO-2. During RIIO-1, we recruited a high proportion of adult recruits which enabled us to drive cultural changes, accelerate the level of our workforce on new terms and conditions, and replace some of the experience we were losing through our shareholder-funded Early Voluntary Retirement (EVR) programme.

#### 1.1.8 Engaging with Schools and Young People

Our Community Promises state our commitment to shape a sustainable future for our colleagues and local communities, these promises are shown in Figure 1.



Figure 1: Our Community Promises



In line with these promises we have a programme of engagement with schools which aims to:

- Raise young people's aspirations to work;
- Strengthen young people's employability skills;
- Play our part in tackling the UK skills gap in STEM (Science, Technology, Engineering and Maths) subjects;
- Develop a pipeline of talent and promote NGN as an employer of choice in our communities; and
- Enrich our colleagues' experience of working with NGN.

In RIIO-1 the activities and projects that we have been involved with as part of this programme of engagement include:

- Attending STEM Career Fairs – Our colleagues have attended STEM career fairs both within schools and at regional school events.
- STEM Ambassadors from NGN supporting school activities – At NGN we have STEM ambassadors who routinely volunteer in schools to support STEM activities. These activities range from career talks to undertaking a STEM related activity e.g. helping children to build an electric motor.
- Joining WISE – By becoming an online member of WISE, we have become part of a forward-thinking network of companies and organisations that are taking action to increase the number of women in STEM. Membership includes being able to advertise roles on the WISE website, publish our stories and have access to role models and case studies.
- Supporting CV writing, mock interviews and employability workshops – Our colleagues have volunteered to support these activities, working with students to help them understand how to write a CV and what employers want. NGN volunteers have run structured interviews where students have the opportunity to develop their interpersonal skills and worked with students to develop their employability skills such as first impressions, team building and communication skills.
- Safety Seymour – We have adopted National Grid's (now Cadent) Safety Seymour teddy bear character and associated activity programme to raise awareness of Carbon Monoxide with young children.
- Crucial Crew – Crucial Crew is a personal safety educational programme delivered to Key Stage 2 pupils in Year 6 of primary school (10 and 11-year-olds). Our workforce attend to give our gas safety messages, specifically around what you should do if you smell gas, Carbon

Monoxide Awareness and staying safe around our excavations.). These sessions are delivered in partnership with the emergency services and other utilities.

- Play Safe, Stay Safe school sessions – These sessions are run by colleagues to teach children about the dangers of playing near our work sites.
- 2021 in your hands – Our workforce delivers a bespoke environmental, CO awareness and gas safety programme aimed at 11-14 year olds. Workshops are offered to secondary schools in the vicinity of our replacement work.

We also sponsor Hull Children's University, their mission is to raise the aspirations of young people in Hull by building their confidence via unique learning experiences. Our colleagues all have the opportunity to help support this by joining the children on some of these learning experiences and being an extra pair of adult eyes to keep them safe and encourage them to participate and enjoy the experience.

All our colleagues are invited to be involved in our schools programme, and feedback indicates that by volunteering their time they have:

- Developed confidence;
- Gained or improved their facilitation, leadership, teamwork and communication skills; and
- Have an increased sense of wellbeing and job satisfaction.

#### 1.1.9 Improving Our Facilities

We have invested circa £10 million over RIIO-1 to create modern and inspiring workplaces, for both front line and office based colleagues. This investment has created working environments which promote collaboration and teamwork. We have also invested heavily in our IT estate (circa £30 million) to provide tools for the business, which provide customers and colleagues with the ability to deliver outstanding service and leading-edge analysis.

For our operational workforce, we are starting to roll out new welfare cabins. Our fleet is being upgraded to include anti-slip grip in the rear, air conditioning and for our drop side vehicles the installation of welfare hand wash facilities.

#### 1.1.10 Emergency Response Resource Levels

In RIIO-1 we have improved our approach to understanding optimum resource levels in our business and have run statistical analysis (using our in-house Statisticians) to determine if our resourcing levels are sufficient to meet our emergency and repair standards. This analysis has strengthened the robustness of our resource planning by considering the impact of severe weather events and continuing to meet the 97% standard of service for uncontrollable and controllable escape. We have also trained back-office volunteers to be able to support Emergency Control Valve (ECV) operation in a supply incident. Both of these activities will increase our resilience in the event of a large scale or a severe weather event.

#### 1.1.11 Recognition of Our Workforce

As an NGN family, we want to recognise the contribution and involvement of colleagues to the success of NGN's business. There are many aspects to this, but it is important for NGN to acknowledge and reward its colleagues when they reach certain milestones within the business as well as exceptional personal performance. This recognises commitment and loyalty in delivering a pioneering service to our customers.

We have a range of reward and recognition initiatives that we've been delivering routinely across RIIO-1:

- Recognising colleague service milestones – we reward our colleagues for demonstrating loyalty to NGN and provide the following:
  - E-card/message for colleague's first birthday with the NGN family.
  - Additional days annual leave for 5 and 10 years' service.
  - Vouchers and a celebration event for colleagues with 25, 40 and 45 years' service.
  - Financial service award for retiring colleagues with between 35-39 years' service.
- We are the Network Awards – an annual award event where we recognise our colleagues' successes in the year.
- Family Day – every two years, 25 colleagues (and their partners) are nominated to attend our owner's Family Day in Hong Kong. Colleagues who attend have either won a "We are the network" award or have demonstrated strong performance in their roles.
- Bonus schemes:
  - Operational bonus scheme – our operational incentive mechanism provides up to £3,000 annually, paid monthly based on results of patch-based operational scorecards (i.e. monthly operational performance by each of our patches). This scheme is open to all operational colleagues on our new terms and conditions.
  - Pay for performance – for all other colleagues, their bonus is based on the achievement of both personal and corporate objectives, with the percentage split between these two factors dependent on their role.

In addition to these initiatives, we also support more localised and informal reward and recognition activities across our offices and depots. This may involve for example organising a burger or ice cream van to visit one of our depots following a quarter of outstanding safety performance.

## 1.2 Towards RIIO-2

Our approach in RIIO-1 to date has set a strong foundation for ensuring that we have a resilient workforce that can meet our future challenges. As we move towards RIIO-2 our strategy is to continue to build on what we have established to date, in addition to identifying further opportunities for improvement. We know that we face an uncertain and challenging future and as such we are cognisant that we need to be flexible and dynamic in the way that we manage, motivate and incentivise our workforce.

We are confident that the opportunities we provide our workforce and the progress we have made in RIIO-1 will continue to enable us to attract and retain the talent we need and maximise the value that our workforce can deliver. Our progress to date has allowed us to right size our workforce, increase flexibility and reduce costs, which has delivered value for money and enhanced our ability to deliver key services and respond to future changes.

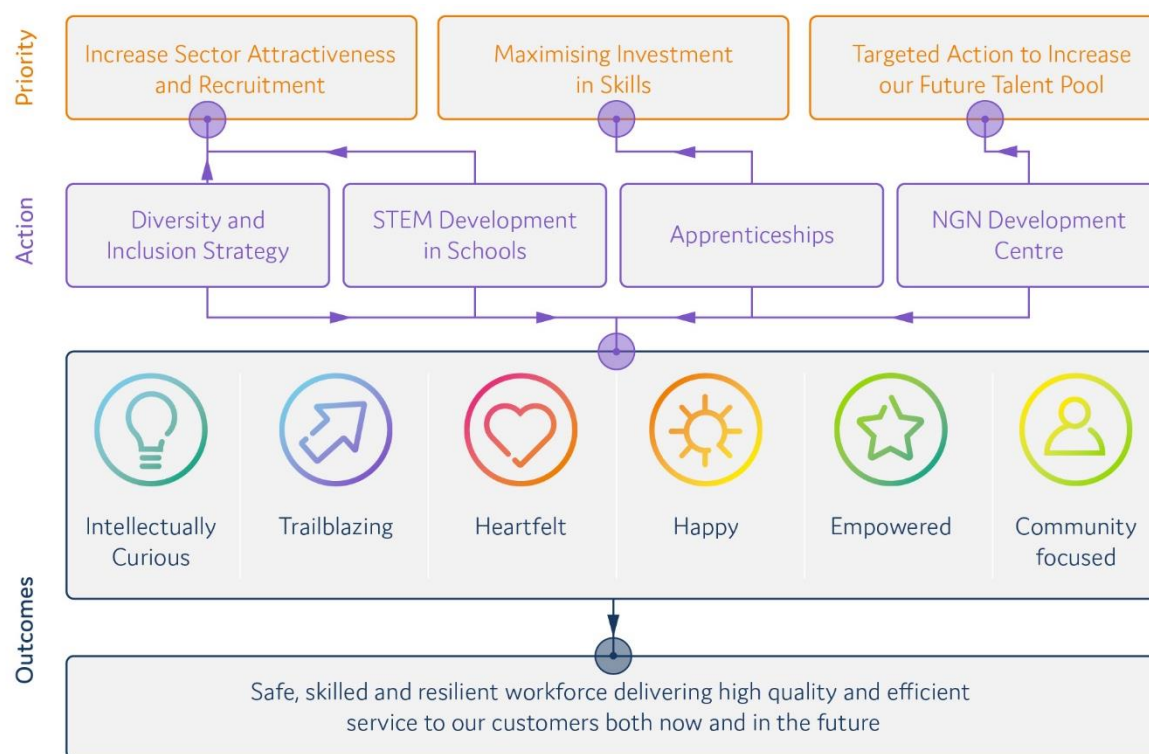
Looking forward, this provides a strong foundation for our priority areas in RIIO-2, which are:

- Increasing awareness and attractiveness of the career opportunities within NGN so that we can continue to manage a diverse, inclusive and dynamic workforce.
- Increasing our focus on investing in skills and development, through increased support for future working generations via STEM, in addition to continuing investment in apprenticeships.
- Targeting an increase in the development of our existing and future talent pool through the implementation and operation of our bespoke development centre at NGN.

These priorities have been influenced by our commitment to the Energy and Utilities Workforce Strategy.<sup>7</sup>

The objective of our workforce resilience strategy is to operate a safe, skilled and resilient workforce that consistently delivers high quality and efficient services to our customers (both now and in the future). This is depicted in Figure 2.

Figure 2: Workforce Resilience Strategy and Priority Areas



The following sections describe our focussed priorities in RIIO-2 and the key initiatives that we will deliver to ensure our workforce is fit for the future. Our approach is focussed on maximising the value we can deliver from initiatives in flight in RIIO-1, in addition to identifying any gaps or areas where we can extend the value that we have delivered already.

<sup>7</sup> ENERGY AND UTILITIES WORKFORCE RENEWAL AND SKILLS STRATEGY: 2020, Energy and Utilities Skill Partnership

## 2 Priority 1: Increase Sector Attractiveness and Recruitment

In order to inspire and attract new talent to NGN as well as deliver on our commitments to contributing to our net zero targets by 2050, it is important that we increase the attractiveness of NGN and the gas sector. To do this we not only need to engage in activities with schools, but we also need to ensure that the NGN workplace and culture is attractive to current and future employees to ensure that skills are retained and that employees are motivated.

Details on our key priority areas for RIIO-2 are provided in the following sections.

### 2.1 Improving Inclusion, Diversity and Equality

We recognise the importance of being an inclusive employer with a diverse workforce that is representative of our customer base. Being an inclusive employer not only increases our attractiveness and ensures that our employees feel respected and valued, it can also support the delivery of innovative and efficient strategies. In RIIO-2 we will work towards formalising this by:

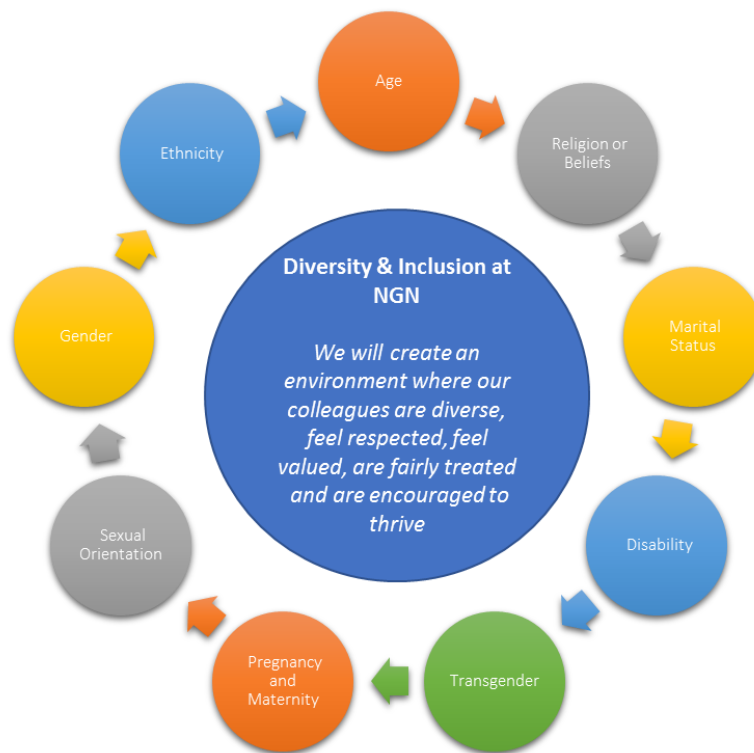
- Collecting more data on our current workforce to understand where our workforce is the least diverse.
- Developing our Diversity and Inclusion Strategy focusing on areas which are of most value to our employees and the communities that we serve.
- Gaining accreditation to a national diversity and inclusion standard.

Our Diversity and Inclusion Strategy will be agreed following a benchmarking exercise that we will undertake before the end of RIIO-1. It is important in this strategy that we recognise the areas where we are leading (e.g. paternity and maternity packages) and promote these both internally to encourage up-take and inclusion as well as externally to promote NGN as an attractive employer.

But it is also important for us to identify areas where we are lagging and where we can do more to improve diversity and inclusion at NGN. Historically, we have focused our efforts on gender and age, however our RIIO-GD2 strategy will be more wide-ranging to ensure that we are covering the wider protected characteristics that a diverse workforce (and society) comprises of such as ethnicity, religion and disability as shown in Figure 3.



Figure 3: NGNs Approach to Diversity and Inclusion



We will also look to consider alternative on-boarding approaches for different new starters in RIIO-2, for example school leavers versus mature age entrants, as well as tailored on boarding process in line with the role, for example that are designed to cater for line manager, corporate and operational roles individually.

## 2.2 Improving Workforce Satisfaction, Motivation and Productivity

We have implemented a range of initiatives over the course of RIIO-1 to improve workforce satisfaction, motivation and productivity.

Our focus areas for RIIO-2 include the following:

- *Ambition to be an “Employer of Choice” to attract and retain the best talent* – in RIIO-2, we will focus on being better aware of what other employers offer and explore offering initiatives provided in the external market. We will continue to look outside of our own sector and at other companies for ideas that are in line with best practice and will contribute to our ambition. We will also continue to listen to our colleagues, understand what’s important to them and be open to their suggestions.
- *Introduction of totex model approach* – In RIIO-2, we will give colleagues the opportunity to contribute across the whole of our operational functions (e.g. gas escapes, repairs and replacement activities). Through this approach, our staff will develop new skills and be rewarded for their development, contributing to improving satisfaction and motivation. This will also contribute to cross-skilling our workforce, helping to achieve improved productivity.
- *Attracting high quality external resources* – During RIIO-2 we expect to build on the lessons we have learnt through the application of the DSP model to further develop our contracting relationships and strategy. We recognise that developing long term successful partnerships adds value and improves resilience, importantly through times of uncertainty. We are

confident that our approach and demonstrated performance during RIIO-1 will continue to allow us to attract and retain the external resource that we need to deliver our plans.

- *Future Ways of Working (Future WOW)* – In RIIO-1, we have delivered Future WOW; an IT platform that enables simple ways of working so that we can evolve our business to be more flexible and agile to the changing needs of our industry, customers and colleagues. Implementation of these new systems is only the first step – over RIIO-2 we will be focused on further embedding the capabilities of our new systems, including training and upskilling our colleagues to ensure that the benefits of this system are realised over time. This will result in a transition in our workforce, as process-based administrative roles are replaced with roles that add further value to our business, providing staff with additional career development opportunities.
- *Leadership Development Training* – In RIIO-2, we will continue to roll-out Leadership Development Training across the business. We have so far delivered this training to our executive group, however we will progress delivery of this initiative across all levels of management, improving our capabilities to motivate and lead colleagues.
- *Celebrating Success* – In RIIO-2, we will continue to consider how we can improve our reward and recognition offerings to colleagues. Specifically, we are aware that it takes quite a bit of work for managers to secure recognition for their staff, so are working to provide simpler, more efficient, flexible and instantaneous methods of recognition and reward.

### 2.3 Ensuring the Health, Safety and Wellbeing of Our Workforce

NGN is committed to providing a healthy working environment and improving the quality of working lives for all colleagues. We also recognise that our colleagues are our greatest asset and the need for us to support both their physical and mental health within the workplace.

We have recently refreshed our Wellbeing Strategy (using guidance from the Chartered Institute of Personnel and Development (CIPD) and the Health & Safety Executive (HSE)) and its ultimate goal is to improve the health, safety and wellbeing of all NGN colleagues and to prevent work associated ill health, for the overall benefit of colleagues and the organisation. This encompasses their physical, mental and social health and recognises that colleagues' values, personal development and work within NGN contribute to their overall wellbeing at work.

We also consider our Wellbeing Strategy will encourage a workplace culture where all colleagues know that they are supported at work through physical or mental challenges they may experience.

NGN employs a large workforce over a large geographical area performing many and different roles. The Wellbeing Strategy aims to reflect this diversity and to provide direction on related issues and challenges in order to support the development of effective solutions and outcomes.

Our Wellbeing Strategy can be summarised in Figure 4.

Figure 4: Our Wellbeing Strategy



Specifically, our Wellbeing Strategy has been designed to ensure that:

- NGN provides clear leadership and management in relation to wellbeing;
- There is optimal engagement of all stakeholders and effective partnerships;
- Best use is made of the resources available to optimise delivery of the strategy; and
- Actions lead to long-term, sustainable improvements in the health and wellbeing of NGN colleagues.

In terms of our priority areas for RIIO-2, we have identified initiatives against each of the five domains in Figure 4; Table 2 outlines each of the initiatives that we will deliver in RIIO-2 to support the health and wellbeing of our colleagues.

Table 2: Initiatives and Activities

Domain	Initiatives
<b>Health</b>	<ul style="list-style-type: none"> <li>• Occupational health moving in-house.</li> <li>• Focus on both health and wellbeing initiatives, including health promotion, health checks, health and wellbeing champions and the introduction of an online wellbeing toolbox for all colleagues.</li> <li>• Training schemes for personal safety, safe working practices, stress management, difficult conversations and managing mental ill health.</li> </ul>
<b>Work</b>	<ul style="list-style-type: none"> <li>• Continuing to reward and recognise the contribution that everyone at NGN has by having fair and transparent remuneration practices as well as non-financial recognition.</li> </ul>
<b>Values/ Principles</b>	<ul style="list-style-type: none"> <li>• Continue to promote values-based leadership</li> <li>• Health and wellbeing strategy.</li> <li>• Creation of a Diversity and Inclusion Strategy</li> <li>• Continue to promote volunteering opportunities and colleague volunteer days.</li> </ul>
<b>Collective/ Social</b>	<ul style="list-style-type: none"> <li>• Health and wellbeing champions to share information / guidance and support around the network</li> </ul>
<b>Personal Growth</b>	<ul style="list-style-type: none"> <li>• Mentoring, coaching, performance management, skills utilisation and succession planning.</li> <li>• Continue to provide personal development plans and access to training (via the Development Centre).</li> </ul>

## 2.4 Engagement with Schools and Universities

In RIIO-1 we have engaged with schools on both gas safety advice (Safety Seymour and Crucial Crew) as well as STEM and careers advice. These activities promote NGN to our future customers and increase the attractiveness of STEM based roles. In our engagement with schools they have told us that they would like us to:

- Cover anti vandalism around gas or misuse of gas bottles in our safety advice to school children;
- Work with schools to deliver activity based science projects/workshops in schools; and
- Participate in role modelling and mentoring opportunities.

As a consequence of this feedback we are reviewing our safety advice for school children, we have recently become a member of WiSE<sup>8</sup> and began a partnership with Solutions for the Planet<sup>9</sup>.

WiSE is a campaign to enable and energise people in business, industry and education to increase the participation, contribution and success of women in STEM. Not only does membership allow us to promote ourselves as a recruiter for STEM, but it also gives us access to online tools to help us with increasing the role of women in STEM at NGN.

<sup>8</sup> <https://www.wisecampaign.org.uk/>

<sup>9</sup> <https://solutionsfortheplanet.co.uk/>

Solutions for the Planet's Big Ideas programme is a STEM programme with a focus on sustainability and entrepreneurship. This programme is delivered in partnership with local companies, who support teams of students (in KS3 or S1-3) to generate solutions or 'Big Ideas' to sustainability issues. We are trialling a one year partnership and we will extend this if the project delivers against both the colleague and social value that were outlined in the business case for the partnership, these include:

- Engaging directly in communities that NGN are servicing, with employees working directly with young people in schools.
- Raising awareness of and listening to the needs of future customers.
- Encouraging more young people into STEM especially girls and young people from BAME<sup>10</sup> communities and areas of higher social deprivation.
- Employees mentoring young people through the programme by both sharing career and employment experience and sharing their knowledge and skills.
- Stimulating sustainable solutions conceived and delivered by young people, in partnership with business mentors.

In addition to supporting the initiatives outlined above, in RIIO-2 we will continue to encourage our colleagues to become STEM ambassadors and to use their volunteer days to support STEM activities in schools. We will also continue to engage with schools and universities to ensure that we continue to deliver gas safety and STEM careers advice in a way that will appeal and meet the needs of a young audience.

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<sup>10</sup> Black, Asian and minority ethnic



### 3 Priority 2: Maximising Investment in Skills

Our priority is to ensure that we will maximise our investment in skills and build a sustainable pipeline of apprenticeships. We will ensure that the people who are recruited can acquire the required skills, proficiencies and behaviours quickly and effectively and that existing employees are motivated by opportunities for upskilling and progression. We're committed to up-skilling and multi-skilling our people so that we can continue to develop our workforce and be an efficient and innovative company. In RIIO-2, we intend to deliver a range of initiatives to help deliver on this commitment.

#### 3.1 Trainees and Apprenticeships

We plan to increase the number of trainees and apprentices we recruit in RIIO-2. Specifically, we expect to upskill and train around 25 apprentices and graduate trainees across the network per annum.

These new recruits will be recruited to fill positions across our Departments and we will ensure they have a varied skill set. For example, we expect to target graduate engineers, quantity surveyors, IT specialists, finance and human resources graduates, as well as operational apprentices.

As noted in our Business Plan, this increase in trainees and apprentices is driving a £1.3 million increase in Training and Apprentice costs. Please see Section 6.3 for further information.

#### 3.2 Cross-Skilling Our People

We have heard from our stakeholders that they would value an improvement in our ability to restore gas supplies back to their appliances. Currently, customers experience visits from two separate specialist teams to get them back on gas again. Going forward, we will cross-skill our people so that they are able to do the entire job (i.e. restore gas back to customer's appliances) in a single visit. This will reduce the disruption that our customers face, whilst also improving the skill set of our people.

#### 3.3 Preparing for a Hydrogen Future

We are heavily invested in demonstrating the potential of converting gas networks in the UK to hydrogen through our H21 and HyDeploy work programs. If this conversion goes ahead, it will require our people to be appropriately trained in working with hydrogen.

We are currently delivering Phase 1 of the H21 work program and will commence Phase 2 in early 2020. We have made allowances for the training needs of a conversion to hydrogen in Phase 3 of the H21 work program, which we plan to commence in RIIO-2 (subject to funding).

Through the "Hydrogen Training Scheme" component of Phase 3, we will ensure that we have a fully trained and competent workforce that is able to perform the conversion process and business as usual activities (e.g. maintenance, connections, disconnections etc.) on a hydrogen network. This project will create a hydrogen training scheme that can be utilised by all of the UK gas distribution network workforces.

## 4 Priority 3: Targeted Action to Increase the Future Talent Pool

We are committed to ensuring that we continue to take targeted action to improve our longer-term workforce planning and intelligence to better predict and address future workforce needs, enable workforce mobility and easier skills transfer and continue to provide a consistent quality of training.

### 4.1 NGN Development Centre

The focus of the Development Centre will remain consistent through RIIO-1 into RIIO-2, continuing to focus training and personal development of our people in the following areas:

- Citizenship – Creating, leading and managing the state of being vested with the rights, privileges and duties of an NGN citizen
- Emotional intelligence – Understanding of the human condition and what makes people tick.
- Personal growth – Understanding and awareness of our own behaviour and its consequences
- Technical competence – Training in the technical skills and knowledge required to undertake a role.
- Commercial Acumen – Understanding the constituent parts of creating clear alignment between the performance and reward of the citizen and the financial performance and sustainability of the NGN community
- Business Awareness – To support personal development, share knowledge and experience across teams, and encourage a culture of collaborative working we have modules created within departments, delivered by colleagues who are experts in their field to colleagues who wish to learn more about the different areas of NGN.
- Stakeholder Engagement – This training course focuses on how to have meaningful, deliberative conversations with our customers.

Training will be open to all of the NGN workforce and employee development will be encouraged through Personal Development Plans.

### 4.2 Long-Term Resourcing Levels

Within RIIO-1 we have performed in-house statistical analysis to determine if our resourcing levels are sufficient to meet our emergency and repair standards. In RIIO-2 we will routinely run this level of analysis using our in-house Statistician's to ensure that we can continue to meet our service commitments whilst ensuring an efficient service. We will also look to apply this type of statistical analysis to other areas of the business including back-office resourcing levels.

## 5 Summary

We have made significant progress on improving our workforce resilience in RIIO-1, particularly through modernising our terms and conditions to better reflect the future direction of our business.

Our focus for RIIO-2 will be on continuing to deliver the initiatives commenced in RIIO-1, whilst increasing our focus on:

- Increasing sector attractiveness and recruitment;
- Maximising investment in skills; and
- Targeted action to increase the future talent pool.

The specific initiatives that we will look to introduce in RIIO-2 are outlined in Table 3.

*Table 3: RIIO-2 Deliverables*

Priority Area	RIIO-2 Deliverables
Increase sector attractiveness and recruitment	<ul style="list-style-type: none"><li>• Diversity and Inclusion Strategy</li><li>• Accreditation to a national diversity and inclusion standard</li><li>• Diversity data collection on our current workforce</li><li>• Health and wellbeing strategy</li><li>• Health and wellbeing champions</li><li>• In-house occupational health service</li><li>• Partnership with Solutions for the Planet's Big Ideas programme</li></ul>
Maximising investment in skills	<ul style="list-style-type: none"><li>• Upskill and train c25 apprentices and graduate trainees across the network per annum</li><li>• Cross-skilling teams to reconnect customer following a supply interruption.</li><li>• Hydrogen Training Scheme to prepare for a hydrogen future (Innovation funding dependant)</li></ul>
Targeted action to increase the future talent pool	<ul style="list-style-type: none"><li>• Development Centre offering training to all colleagues</li><li>• Annual statistical analysis on resourcing levels</li></ul>

Costs relating to delivering these initiatives have been accounted for within our totex allowance.