

RIIO Team
Ofgem

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Our reference: RIIO2 Sector Specific Methodology Consultation – Workforce Resilience

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Workforce resilience

Dear RIIO Team,

As a contractor and supplier of services across the Utilities sector, we fully support the inclusion of workforce resilience in RIIO2, along with your intention to expect companies to submit a sustainable workforce strategy as part of their business plans.

Our Utilities business spans Power, Water, Metering and Telecoms and employs around 2,000 people with a further 2,000 in the supply chain. Much of our work in Power is focused on minimising interruptions to supply by working in close partnership with our clients, including: Western Power Distribution, SP Energy Networks and Northern Power Grid.

We manage substations, install over ground power cables, clear the vegetation surrounding power lines as well as providing emergency fault work.

We recognise that across our business and the industry, it is becoming increasingly challenging to attract, develop and retain a sustainable workforce. A significant percentage of the sector's workforce is expected to retire in the next ten years which potentially leaves a substantial shortfall of skills in delivering and maintaining our utilities infrastructure. It's the ageing workforce and associated skills gap that it creates which is one of ours and the industry's biggest threat to delivering high quality services in the future.

That's why, as a company we've been working hard to address this and why we feel passionate about ensuring that it's addressed in the regulated markets in which we work. We have a number of schemes and programmes to increase the diversity of our employee base including:

- Apprenticeship and graduate programmes for our employees and the supply chain. As members of the '5% club' we're aiming to achieve 5% of our workforce in 'earn and learn' within the next five years.
- We've launched a Girl Guides Partnership and badge, a 3-year programme to bring more girls into the industry which has had over 120,000 requests.
- We encourage underrepresented groups such as women and BAME to consider careers in engineering.
- We're a signatory to the Armed Forces Covenant and we're committed to helping ex-service personnel secure careers for the future.

- Our Equality, Diversity and Inclusion programme integrates the supply chain, service delivery and community outreach and in 2017 we were the first company in the industry to be awarded Leaders in Diversity status.

However, we acknowledge that we cannot do things on our own and actively seek out partners and industry support. We're a founding member of the Skills Accord which promotes skills sustainability in the supply chain and more recently, we've joined 32 of the country's leading energy and utilities employers to launch a sector inclusion commitment (as part of the Eu Skills Partnership) to attract more diverse and inclusive talent into the industry. And whilst we appreciate that some factors affecting talent attraction are outside of our control such as low unemployment levels, we need to work together to tackle the areas where we can make a difference such as supporting the uptake of STEM subjects in schools and colleges.

We also need to be transparent and clear about how we maintain a sustainable pipeline of the technical skills that are vital to maintaining the level of service customers expect over the longer term. With the increase in data, AI, automation, and remote sensor technology we will require a more tech savvy, agile workforce and will mean a change to the traditional roles as we see them today. Asking companies to produce a business plan that addresses this, serves to keep the issue of workforce resilience at the forefront of the agenda and something that we actively support and welcome.

Yours sincerely,

A handwritten signature in black ink, appearing to read "DMC", followed by a horizontal line.

David McLoughlin

Managing Director, Utilities, Amey

For and on behalf of Amey Utility Services Limited

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