

# Transforming experiences by listening to our stakeholders and delivering great outcomes





# Part 1

## Keeping the energy flowing

We play a crucial role in maintaining, repairing and replacing gas pipes across four of the eight gas distribution networks (GDNs) in the UK. Our aim is to set a new standard on what it means for a utility taking care of an essential and vital public service.

We are responsible for ensuring the safe and reliable flow of energy, now and long into the future. We're proud to be at the heart of heat and work closely with our communities to keep them safe, warm and connected, providing extra care for those who might need it in a gas emergency. As part of this we also manage the National Gas Emergency Service telephone number on behalf of the gas industry.

### The RIIO Framework

To ensure GDNs keep customer bills as low as possible and improve the service we provide, we are regulated by Ofgem under a price control framework called RIIO, which is designed to mimic the effects of competition.

The RIIO framework stands for Revenue = Incentives+Innovation+Outputs and is designed to encourage network companies to:

- Put stakeholders at the heart of their decision-making process
- Invest efficiently to ensure continued safe and reliable services
- Innovate to reduce network costs for current and future consumers
- Play a full role in delivering a low-carbon economy and wider environmental objectives

### Stakeholder Engagement Incentive

The Stakeholder Engagement Incentive is an annual initiative set by our regulator, Ofgem, to encourage network providers to proactively engage with stakeholders to better understand their needs, and deliver services and outcomes which benefit customers and communities.

This submission is made up of two sections:

### Part 1

This section provides a detailed overview of our stakeholder engagement, customer and vulnerability strategies, including how these have been embedded within the organisation and demonstrating that we have met Ofgem's minimum requirements.

### Part 2

This section outlines the key outcomes and benefits resulting from our stakeholder engagement activities, demonstrating how these projects align with Ofgem's assessment criteria and how we have gone above and beyond in our engagement activities.

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We've built on our strengths, fully embedding engagement into our culture. Through our everyday operations and performance management processes, we continue to put our stakeholders, customers and communities at the heart of everything we do.

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Three core strategies are crucial to the successful delivery of our stakeholder engagement activities, ensuring that decisions are made using robust data and insights, and that service enhancements are aligned with our stakeholders' priorities.

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We continue to evolve and refine our methods of engagement to provide tangible outcomes for our diverse stakeholder and customer groups, striving to make it as easy as possible for them to engage with us in a way that suits them.

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When it comes to engagement, we lead from the top and have well-defined governance processes in place to deliver the best outcomes, empowering colleagues to deliver services that benefit our stakeholders and communities.

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By collaborating with the right organisations, we have expanded our reach and engaged with more people than ever before, enabling us to make the greatest possible difference to our stakeholders and communities.

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Our vision is to set standards that all our customers love and others aspire to. In order to understand whether we are delivering that promise, we need to be able to track the impact we are having in the communities we serve and we use a number of techniques to measure this.

# Welcome from Steve Fraser, Chief Executive Officer

**When I joined Cadent in September 2019, it was clear that there was a real passion for delivering the best outcomes for our stakeholders.**

We want to set new standards of service for utilities and are very ambitious about how we engage. We have well-established engagement and customer strategies in place, supported by strong governance and senior leaders committed to living our values.

Our Board, investors and stakeholders take an active role in our business. Through challenging our approaches and stretching us to go above and beyond for our customers and colleagues, they have helped us transform the way we deliver our services.

There is a tremendous amount of talent in our organisation and it is vital that we maximise the knowledge and skills of our employees, giving them the tools to make informed, customer-focused decisions whilst empowering them to create positive change.

We started on a journey 18 months ago, to get closer to our communities and assets, giving accountability to the local management teams through aligning operations teams to our four regions. This year we've made significant progress against this goal with

tangible results. By structuring our networks into 28 local customer areas we've created an environment for our colleagues to thrive. This has driven regional engagement forward at pace, with teams tailoring services to meet local requirements.

## **Engaging to deliver the best outcomes**

As the largest gas distribution network in the UK, we want to lead projects that are considered as best practice for the gas industry and beyond. I am proud that we've been able to do that this year for global issues such as supporting customers in vulnerable situations and tackling climate change.

The term 'vulnerable customers' has taken on a whole new meaning for the world as a result of the COVID-19 pandemic. We have always believed that almost anyone can be vulnerable if their circumstances change and rather than using labels, we prefer to focus on the individual and what we can do to ensure that they stay safe, warm, connected and independent in their homes. We were the first gas distribution network to sign the COVID-19 Business Pledge.

This is a priority for our stakeholders and our philosophy to provide **services for all** has enabled us to listen, learn and adapt quickly to respond to our

stakeholders' needs and keep the energy flowing during these challenging times.

In the last 12 months we have continued to be at the forefront of engaging with a wide range of stakeholders to address the urgent challenges of climate change. We have developed practical pathways for clean gases and are meeting regularly with national and local government, regulators and businesses, to ensure we strike the appropriate balance between delivering the critical long-term needs of future customers with affordability for existing customers.

I would like to thank our stakeholders, customers, colleagues and investors for working with us to make Cadent a truly great business that delivers valuable and sustainable outcomes for the communities we serve.

**Steve Fraser, Chief Executive Officer**



Our vision of setting standards all of our customers love and others aspire to has been developed with stakeholders, customers, colleagues and investors, and we continue to test it to ensure that it remains relevant.

Feedback from engagement sessions revealed that as the socio-political landscape had shifted, so had stakeholders' focus. As a result, in August 2019 we updated two of the four strategic objectives that support the delivery of our vision: improving the

environment became **'tackling climate change'** and trusted to act responsibly for society became **'trusted to act for our communities'**. Using precise language such as this emphasises what really matters to our stakeholders, customers,

investors and colleagues and fundamentally drives our business. We will continue to assess how effectively we are delivering against these promises during RIIO-1 and into the next price control period.

## **Our vision: Setting standards all of our customers love and others aspire to**



### **Quality customer experience**

We promise to provide a service experience of the highest quality to all of our customers, tailoring it to their needs.



### **Safe and resilient network**

We are focused on delivering a resilient network to keep the energy flowing safely and reliably to all of our customers.



### **Tackling climate change**

We are committed to meeting the net zero challenge and supporting the transition to a sustainable energy system.

### **Trusted to act for our communities**

We are strengthening our reputation through the actions we take, ensuring our service is transparent, valued and trusted.

### **Turning insight into action**

We use stakeholder insights to prioritise the actions we take across our business.

## **Engagement: Improving today**

### **Customers**

Increasing our engagement with customers to identify their priorities and meet their needs.

### **Regions**

Delivering engagement at a local level to respond to the diverse needs of our networks.

### **Colleagues**

Creating an inclusive culture where employees, contractors and partners are given a voice.

### **Investors**

Providing confidence and value through robust data, governance and outcomes.

# Building on our strengths

## Highlights of 2019/20

**112**

Engagement activities

**1,000,000**

Business insights

**86%**

Stakeholder satisfaction score

**£5,000,000**

Directly invested in engagement

**1,800,000**

Reached on social media  
(20% increase)

**845**

Calls to Language Line  
(44% increase)

**758,000**

Website visits  
(74% increase)

**5,347**

PSR registrations  
(6% increase)

## Continuous improvement

In our 2018/19 submission, Ofgem stated that we had 'improved significantly and it is clear that the investment in stakeholder engagement has led to this step-change.'

Our Executive Team is committed to building on that endorsement and have continued to invest in our enhanced stakeholder engagement strategy and delivery, further embedding it into our culture and everyday practices. We have taken on board Ofgem's feedback on the areas we needed to develop and there has been a real focus on ensuring that we can demonstrate how these elements are absolutely a core part of our stakeholder engagement strategy and day-to-day operations.



**The increased focus on engaging with hard-to-reach and challenging stakeholders to give voice to diverse and vulnerable groups has been welcomed by the Board and we believe Cadent is leading the way in this area."**

**Dr Catherine Bell CB,**  
Non-Executive Director for Cadent



Focus area	Update for 2019/20
<p><b>Embedded holistic approach/senior leader buy-in</b></p> <p>Ofgem score 2018/19 <b>6.5</b></p>	<p>Stakeholder engagement, supported by a robust governance process, has been a priority for our senior leaders for many years. However, in 2019/20 we have seen a much more coordinated approach with more members of the Executive Team engaging with stakeholders and customers in our four regions and beyond, than ever before. Whether that is leading customer forums to understand what future generations need from us, or talking to customers and stakeholders in city centres as part of our #Cadentvoices bus tour – they have led by example and emphasised the importance of using stakeholder insights to create solutions that build trust and deliver valuable outcomes.</p> <p>See Part 1 page 06 for details of our governance process.</p>
<p><b>Robust project management processes and resources</b></p> <p>Ofgem score 2018/19 <b>5.75</b></p>	<p>Our business improvements are underpinned by data-driven decision-making and robust project management. All colleagues who deliver change are responsible for all associated stakeholder engagement. We provide e-learning and an engagement toolkit, including a stakeholder mapping grid, methodology matrix and engagement register. All project managers complete a Change Impact Assessment, documenting their project's deliverables, benefits to stakeholders and measurement. This enables them to:</p> <ul style="list-style-type: none"> <li>■ Fully understand the needs driving their project, and what benefits it will deliver to stakeholders and customers</li> <li>■ Deliver the project</li> <li>■ Test that changes have been implemented in line with stakeholders' expectations</li> </ul> <p>See Part 2 pages 02-03 for examples of this in action.</p>
<p><b>Hard-to-reach/ challenging groups</b></p> <p>Ofgem score 2018/19 <b>5.5</b></p>	<p>In 2019/20 there has been a marked step-change in our approach to engaging with hard-to-reach stakeholders and challenging groups to ensure that diverse views and voices are heard and understood, and that these groups can engage with us easily in a way that suits them. This has been made possible through a mixture of initiatives: using a range of new engagement methods and working with our strategic partners to access communities and stakeholder groups that may not be aware that our services impact them. These interactions have been invaluable in identifying new opportunities and confirming that our approach in many areas is appropriate for stakeholder needs. We have developed action plans to deliver outcomes based on these insights and are continuing to work with these groups.</p> <p>See Part 1 page 05 for more on our approach and Part 2 pages 06-07 for examples.</p>
<p><b>Smart/best practice</b></p> <p>Ofgem score 2018/19 <b>6.25</b></p>	<p>Due to the breadth of our geographical footprint, we are able to leverage our reach and regularly take the lead on a number of projects to transform customers' experiences. For us, it is about keeping momentum moving on strategic initiatives such as Dementia Friendly Utilities, Utilities Against Scams and the Fair to Future project 'Sustainable Licence to Operate for energy and water companies'. We're delighted to see that these initiatives have been adopted across the sector and we have been able to reach more people and increase our impact through working collaboratively.</p> <p>See Part 2 page 10 for more information on our smart and best practice schemes.</p>

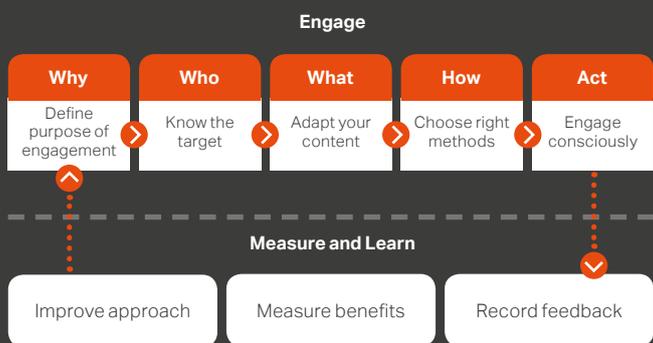
# Our enhanced engagement strategy

Our engagement strategy is structured against the important principle of being centrally defined and regionally delivered – empowering our local delivery teams to engage with their stakeholders in tailored and valuable ways. It is fully aligned with other key strategies which each support our overall vision statement.

## Stakeholder engagement strategy

### Our Aims:

- To support the delivery of our RII0-1 business plan
- To assess how we are performing against our company vision statement and the four strategic objectives that underpin our vision
- To build trust and stronger relationships with our stakeholders
- To establish and maintain a fully engaged workforce with clear and consistent focus and strong delivery plans
- To be a key enabler in helping us to anticipate changing customer or societal needs and expectations as well as shape the future, in particular when we consider the current uncertainty that exists around future energy policy and joining up thinking across (and beyond) the industry



We use the eight-step model above to prepare for and deliver all forms of engagement.

### Continuous review and improvement

Each year, we review our enhanced engagement strategy with a series of stakeholders and customers to ensure it is in line with our stakeholders' expectations and the insights are delivering better outcomes that benefit our customers and our business.

We have identified good practice in the Accountability Stakeholder Engagement AA1000 Standard, which we have built into our toolkit and are using in our daily activities. We will be applying for official accreditation in the coming months. See Part 1 pages 06 and 09 for details of our assurance processes.

### Testing outcomes with stakeholders

Acting on our stakeholders' input is core to our success, and we subsequently re-engage with stakeholders to test that outcomes are aligned with their expectations and adapt as necessary or implement as planned. Stakeholder feedback (including our stakeholder engagement panels and Customer Engagement Group) has been extremely positive about this approach.

## Customer strategy

**Our Aim:** To provide outstanding service levels to all of our customers, no matter what their personal circumstances



## Creating value for...



# Centrally defined, regionally delivered

This regional approach to engagement delivery is essential to the success of our central engagement strategy. Our network spans four distinct geographical areas with stakeholders, customers and communities that are diverse, with differing needs.

## Customer strategy

Our customer strategy underpins our enhanced engagement strategy and programme of activities, allowing us to gather

real-time data from stakeholders and convert this into immediate action to be delivered in an agile way, so that the outcomes and benefits can be realised immediately.

## Customer vulnerability strategy

Our customer vulnerability strategy applies a focused lens on engaging with those customers who need extra support from us. Often, we utilise strategic partners to deliver engagement as some of the

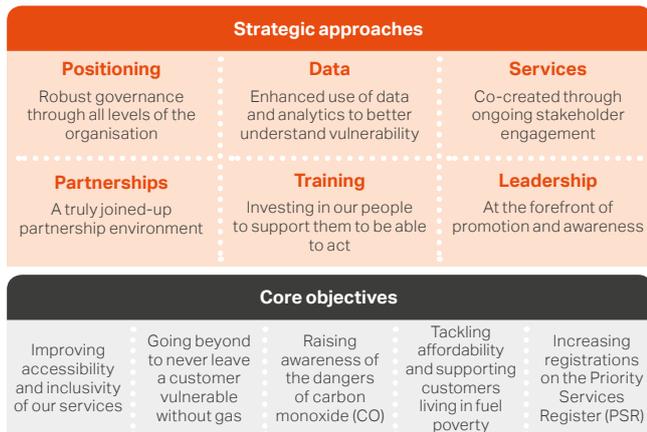
most vulnerable people in our networks are the hardest for us to reach.

## Data-driven decision-making

These three strategies are informed by robust data that enable us to develop the solutions that our customers need and identify areas in our network where we can make a sustainable difference.

## Customer vulnerability strategy

**Our Aim: Keep all of our customers safe, warm and independent in their home regardless of their personal circumstances**



### Services for all

The overarching principle of our customer vulnerability strategy is to avoid labels and categories, instead providing services for all, recognising the specific circumstances of each customer and tailoring our services accordingly.

We have achieved this by gaining and maintaining a deep understanding of our customers through engaging with them in meaningful ways, using robust data to map their needs and co-creating responses with partners to ensure that the appropriate skills and services are deployed.

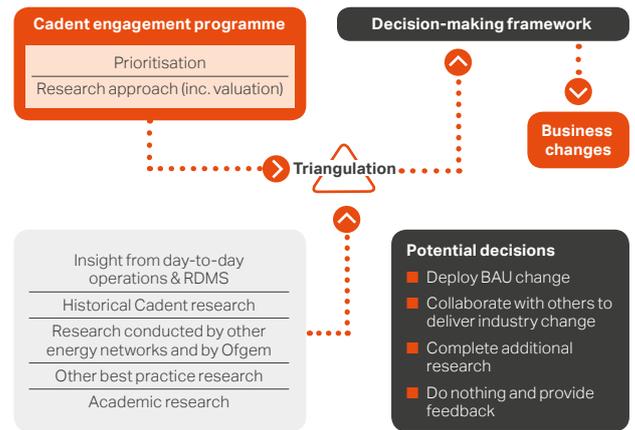
For more details on the outcomes we are delivering against these priorities, see Part 2 pages 04-08.

### Safeguarding priorities

Our vulnerability strategy focuses on our stakeholders' top priority areas:

- Awareness of the dangers, and prevention, of CO poisoning
- Providing tailored services to address and tackle vulnerability
- Raising awareness of the PSR and increasing the number of registrations
- Providing subsidised connections to the gas grid for eligible households to help tackle fuel poverty

## Data-driven decision-making



### Relational Database Management System

Data has been at the core of developing services that our customers and stakeholders love. This is achieved through our web-based Relational Database Management System (RDMS), which we developed and referenced in 2018/19 and implemented in May 2019. Our RDMS has since evolved and is tailored specifically to meet our needs, using expertise from our partnership network. The advanced RDMS uses Artificial Intelligence (AI) to recognise themes and patterns across millions of data points sourced from stakeholder feedback and customer sentiment capture.

### Innovating through accessible Big Data

This learning from our AI is shared throughout our business. All colleagues, from our Chief Operating Officer to our local supervisors, can understand their performance and the insights from their customers at the click of a button on their smartphone, enabling them to identify opportunities to innovate and share ideas of how we can improve.

Where there are seemingly conflicting insights, we use a triangulation process through our internal Customer Insights Forum to ensure that we have the right information to form accurate conclusions.

### National Government Authorities

- Regulators (e.g. Ofgem)
- National Government
- Politicians

### Safeguarding organisations

- Safeguarding charities
- Health charities
- Seldom heard
- Hard to reach
- Affordability charities

### Energy industry & other utilities

- Shippers / suppliers
- Water suppliers
- DNOs
- GDNs
- IGT & UIPs

### Industry bodies & Trade Associations

- Health
- Trade Associations
- Trade Unions
- Industry bodies
- Media
- Banks
- Credit rating agencies

### Local interests

- Local Authorities
- Local community groups
- Ambulance Services
- Fire & Rescue Services
- Schools
- Road users
- Hospitals
- Police
- Highway Authorities

### Environmental interests

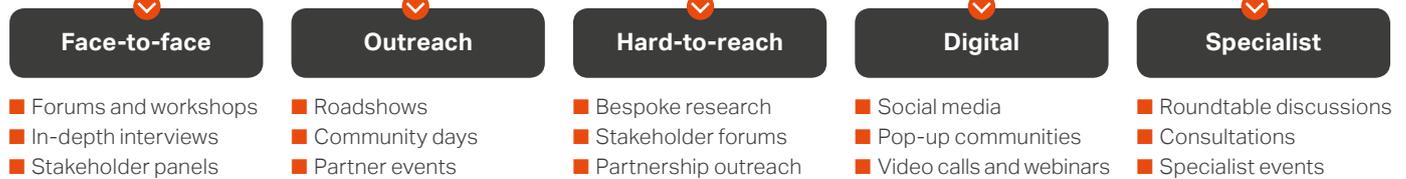
- Renewable industry
- Green organisations
- Academia
- Industry voices
- Consultants / think tanks
- Regional government
- Westminster / Whitehall
- Non-Governmental Organisations

# Tailored methods of engagement

We have reviewed and benchmarked our engagement practices with our stakeholders, prioritising those techniques that provide the most credible insights and deliver tangible, sustainable outcomes.

## Cadent

### Stakeholder input



#### Flexible and accessible techniques

We focus on methods that enable us to engage effectively with the broadest range of stakeholders, helping us to make informed decisions. We make our engagement activities as flexible and accessible as possible – offering choice on channels of communication, rather than expecting stakeholders to go out of their way to reach us. This year, we have introduced new techniques suited to accessing hard-to-reach stakeholders; using translators and new digital technologies, which have enabled us to gather key insights from underrepresented stakeholders.

#### Keeping stakeholders informed

This comprehensive range of engagement methods provides us with both the breadth and depth of information to build a matrix of intelligence about our stakeholders' interests, wants and needs. We feed back to stakeholders in the way that they have requested, usually through follow-up discussions, meetings or emails. All stakeholders are asked to join our stakeholder relationship database, which maps their priorities to our strategic aims and allocates an engagement relationship manager, who ensures we keep them updated on developments and decisions taken relating to their areas of interest.

#### Ensuring value for money

Our engagement prioritisation tool identifies the best engagement method by comparing the predicted engagement value and the cost of the activity. The score is based on the number of participants and their level of knowledge, the quality of the feedback that can be extracted and its potential to inform the business. We also consider stakeholder feedback on the engagement method. By consistently comparing the engagement value for each option, we continue to make cost-effective and consistent decisions on our methods.

#### Benefits of tailored engagement methods

##### Delivering a service our customers love

We use a range of digital solutions to engage on customer experience, including online surveys, social media, and SMS. These are supported by face-to-face workshops and forums led by operations leaders, whereby we explore the issues and options. Combining methods in this way provides a better understanding of the impact of our services and the solutions proposed. These insights are shared within our business through internal channels.

##### Keeping people safe, warm and independent in their homes

We prioritise engagement with stakeholders who are experts in vulnerability, to help us create the right solutions. Methods include funding events, conducting telephone interviews with carers, and holding customer forums with people in vulnerable situations. Video calls/webinars have proven to be a low-cost, effective way to test solutions without taking up too much of stakeholders' time, and work well during times of social distancing.

##### Going further to be more inclusive and accessible

Developing partnerships, and commissioning bespoke research, with organisations who have access to hard-to-reach stakeholders has established effective routes for engagement. We used this insight to define a particularly challenging hard-to-reach subset – people affected by multiple vulnerabilities. We have supplemented this research with our outreach engagement methods, including community roadshows such as the #Cadentvoices bus tour in July, rural coffee caravans in the poorest postcodes in our networks, and running engagement activities at events held by our strategic partners.

##### Committed to creating a better future

We primarily used specialist and digital techniques to engage with the diverse range of stakeholders interested in tackling climate change. This included online pop-up communities, meetings and panel sessions, podcasts/webinars, consultations and focus groups with future generations. The pop-up communities allowed us to access many stakeholders at one time, asking them specific questions and gathering real-time, recordable insights. The blogs and podcasts shared on social media spark debates, which we use to inform our thinking.

#### Example outcomes

Local operations model structured around **28** locations across our regions

Improvements in **customer satisfaction (C-SAT)** and complaints handling performance

[Read more in Part 2 pages 02-03](#)

Over **£32,000** of energy savings for people with chronic illnesses

Over **19,000** CO alarms distributed at events

[Read more in Part 2 pages 04-05](#)

**11,000** views of translated customer videos

Achieved **Digital Accessibility Centre Level AA** of the Web Content Accessibility Guidelines (WCAG 2.1)

[Read more in Part 2 pages 06-07](#)

Over **400** future customers engaged

**20,000** people reached across social media

[Read more in Part 2 pages 08-09](#)

# Leadership endorsement and governance

When it comes to developing a customer-focused culture, the tone at the top is all-important.

## Leading by example

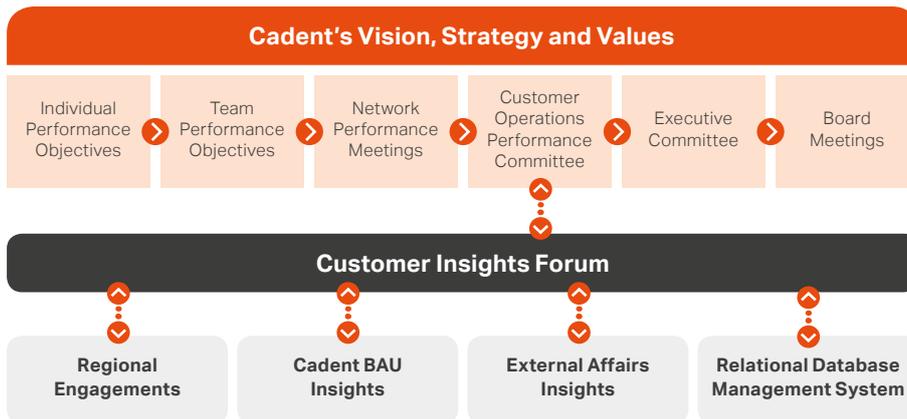
Our Executive Committee and leadership teams continue to emphasise the importance of engagement in delivering outcomes and benefits that our customers love. To support this, in May 2019 we launched our internal Cadent Customer Challenge campaign, which prioritises engaging to deliver value for stakeholders and communities.

## Culture of engagement

This philosophy and practice has been cascaded across all levels of the business, including our supply chain, and is supported by our robust governance process. Our pay and reward schemes are heavily weighted to delivering demonstrable benefits to our stakeholders, and providing excellent service is a key part of our contractual agreements. Engagement also forms part of all colleagues' annual bonus incentive.

## Governance process

We have a well-established, clearly defined and effective governance model for overseeing our end-to-end engagement strategy, which is ratified by the Board.



Progress against our initiatives and targets is monitored and steered by our Executive Committee and shared with the Board. Below the Executive Committee sit a number of committees, including the Customer Operations Performance Committee, which reviews the opportunities identified by the Customer Insights Forum. Data forms a key part of the Customer Insights Forum's analysis and discussions. This intelligence comes from a range of

sources, providing a comprehensive view of our performance and emerging themes or issues that need to be addressed.

Team and individual objectives are aligned to our strategic priorities and underpin these performance committees, to ensure a clear line of sight to deliverables and outcomes. Colleagues are engaged from the bottom up and top down so that we are all working towards the same objectives.

## Assurance statement

This document accurately reflects Cadent's stakeholder engagement activities during the year 2019/20. The practices and initiatives outlined in Parts 1 and 2 demonstrate how we have engaged with a wide range of stakeholders to go above and beyond business as usual activities. Engagement is a fundamental aspect of our culture and day-to-day operations. As such, we keep our stakeholders fully informed, engaging with them from the outset to ensure their insight and feedback is considered when making important decisions about the services we provide.

**Sir Adrian Montague CBE, Chairman**



## Senior leadership engagement highlights



### Our new CEO and Chief People Officer are championing inclusivity

Steve Fraser (right) and Martin Rimmer (left), have led by example in championing diversity and inclusion, through signing the Time to Change employer pledge on mental health and Cadent being recognised as a Disability Confident Employer by the Government.



### Network Directors elected to CBI regional councils

Jenny Moten (right), Director of our North West network and Dr Kate Jones (left), Director of our West Midlands network, have been elected by their peers to join their regional councils of the CBI for three years, as the first female representatives from GDNs on their respective councils.



### Chief Safety and Strategy Officer, Ed Syson, and Director of Strategy, Dr Angela Needle, are shaping the future of the energy industry.

Ed (pictured) and Angela have put us at the forefront of the net zero debate this year, engaging with multiple stakeholders about our work on hydrogen and the future role of gas.

# Our regional approach to engagement



The best way for us to learn about our stakeholders and what they want and expect from their energy network is to embed ourselves within their communities: to be both visible and available at a local level, securing the trust of our customers and those who represent them.

## Embedding a regional approach

Following our move to a network-aligned operating model in spring 2019, this year we have crystallised our regional approach by developing 28 local customer areas, each with clear accountability for delivering its customer, regulatory, safety and financial targets. This has enhanced the way we engage as there is much closer proximity between decision makers, customers and stakeholders. In addition, this approach has boosted colleague morale and motivation, delivering significant operational efficiencies and an improved customer experience aligned to the needs of the local communities.

## Social Indicator Mapping Tool

Our Social Indicator Mapping Tool (SIMT), developed in conjunction with the Centre for Sustainable Energy, displays a series of layered social indicators and their distribution across our four networks. The data in the tool enables us to identify areas with higher levels of vulnerability, fuel poverty and CO risk, highlighting synergies that can be built into a community-focused approach. We have shared the SIMT with our strategic partners and are using the data gathered from this tool to tailor all aspects of stakeholder engagement and safeguarding delivery to community characteristics. **Examples of these outcomes are included in Part 2 pages 04-05.**



**The tool is unique in allowing users to combine several of these situations to highlight areas across Cadent's network areas where multiple vulnerabilities are prevalent. We are unaware of any other existing data or mapping tools covering Cadent's network area that allow users such a flexible approach to understanding such a broad range of social situations simultaneously."**

**Toby Bridgeman,**  
Senior Research Project Manager  
Centre for Sustainable Energy

## North West: Energy action strategy planning



Greater Manchester Combined Authority (GMCA) announced a climate

emergency in July 2019 and we engaged with them to understand how we could support the GMCA in developing their energy plans. GMCA advised that they wanted a joint-utilities overview of energy scenarios to help them achieve their net zero ambitions.

As such, we have collaborated with Electricity North West (ENW), their local Distribution Network Operator, to produce a joint report for the GMCA. We have also seconded a Cadent employee, Nathan Hulse, into the GMCA to support them directly with the development of their energy masterplan. We will continue to work with ENW and the GMCA to create an output-led action plan for this region.

## West Midlands: Improving customer service



We aim to deliver a service that all our customers love. Customer feedback revealed that

we needed to improve our engineers' customer service skills in the West Midlands (WM). During our engagement, we discovered that many engineers didn't realise where they were falling short in their service delivery, especially those who weren't accustomed to face-to-face interactions with customers. The engineers embraced the coaching positively and only required minor tweaks to their approach to improve performance. To further embed the training, we implemented a recognition scheme to reward engineers achieving scores of 10/10, creating a competitive dynamic and celebrating excellent service.

Our WM engineers are now consistently scoring over 9.5/10 and the recognition scheme has been rolled out across the business.

## East of England: Suffolk and Norfolk Agricultural Shows



Our work sometimes involves 'line walking' on farmers' land to ensure the health

of our assets. This has led to complaints as landowners do not always understand the importance of completing these checks or why we are on their property.

In response to this feedback, we hosted a stand at this year's Suffolk and Norfolk Agricultural Shows, during which we engaged with hundreds of locals, who took part in interactive activities using virtual reality and were given informative literature to take away.

This engagement has resulted in a significant reduction in complaints and enquiries regarding line walking in these areas. Following the success of this event, we will adopt this approach to engaging across our networks.

## North London: Meeting the needs of Bengali customers



Data captured through engaging with partners identified that Bengali was the most

prominent language used by non-English speakers in our North London region. To ensure that our plans to improve our service would meet the needs of all people in our regions, we commissioned workshops to engage with Bengali-speaking males and females, utilising partners and translators.

We had two separate gender-specific forums, to comply with cultural customs, which helped us understand how our services impacted them and whether they had any additional requirements. As a result of the engagement, we have created a suite of videos translated into Bengali and have established partnerships to enable us to distribute information about our services to non-English speaking communities.

# Strategic partnerships and collaboration

Providing services for all and supporting communities and customers in tailored ways is a central aspect of our stakeholder engagement approach, and our partnerships are instrumental to achieving this.

During 2019/20, we have established 15 new partnerships with third party organisations, who have enabled us to reach more hard-to-reach and challenging stakeholder groups than ever before.

Our partners use their trusted position to share information about the services that we offer with their network of hard-to-reach customers, and provide us with feedback on how we can improve our services to better meet local needs.

We have evolved our partnership model to ensure our partnerships are as effective as they can be. We now group our partnerships into the following categories: strategic, programme and project, depending on the breadth and longevity of the relationship

and activities. We review outcomes and performance using our partnership evaluation tool (see Part 1 page 09 for details).

## Key partnerships in 2019/20 include:

■ Age UK – East London	■ Maggie's Trust
■ Alzheimer's Society UK	■ Marches Energy Action
■ British Red Cross	■ UK Men's Sheds Association
■ Cambridgeshire Council	■ National Trading Standards
■ Carers Trust	■ Queen Alexandra College
■ Christians Against Poverty	■ RNIB
■ Disabled Living	■ Royal Association for Deaf (RAD)
■ Fifth Sense	■ Sense
■ Groundwork Manchester	■ SignLive
■ Hackney Playbus	■ Surrey Council Against Scams
■ Hazard Alley	■ 22 Fire & Rescue Services (3 NEW)
■ Ingeus UK	
■ Islington Chinese Association	
■ Leicestershire County Council	
■ Leicestershire Police Against Scams	
	Key
	■ NEW ■ EXISTING

## Over 60

Total number of partnerships

## Over 35,000

Hard-to-reach people engaged

## 31%

Growth since 2018/19



**It's been great to have the opportunity to work with Cadent on the development of the Energy Master Plans; providing energy blueprints for Greater Manchester, Lancashire and Cumbria. It's a valuable example of outcome-focused collaboration, which will enable stakeholders to make informed investments in low carbon technologies on the pathway to net zero. We look forward to continuing this important whole-systems approach to strategy with the team at Cadent."**

**Steve Cox, Engineering Director, Electricity North West**

## Collaborating for success

### Groundwork Manchester North West

**NEW**

We formed a new partnership with Groundwork Manchester (GM), who, as part of their home safety visits, now provide messaging about gas safety and distribute CO alarms where required. Via GM, we have also provided over 100 heated covers to ensure people living with health conditions or in fuel poverty can keep themselves warm without heating their whole home, thus saving them money on their energy bills.

### Marches Energy Action West Midlands

**NEW**

Marches Energy Action (MEA) is an organisation that targets people living in extreme vulnerability across both rural and urban areas of Shropshire (West Midlands). Our partnership has enabled us to run a pilot scheme that engages with, and provides funding for, customers who are unable to afford appliance servicing, consequently reducing the risk of CO poisoning. We also provide CO alarms, literature and heated seat covers.

### Alzheimer's Society National

**BUILD**

Our corporate partnership with Alzheimer's Society (AS) has gone from strength to strength this year. We have led on becoming a Dementia Friendly Utility and raising dementia awareness with colleagues and stakeholders, by delivering Dementia Friends Awareness in schools and to innovators. During 2020/21, we're aiming to deliver dementia awareness training to our Tier 1 and 2 contractors.

### Fire & Rescue Services National

**BUILD**

We've continued to collaborate successfully with the Fire & Rescue Services (FRS) and building on the success of last year, now have good working partnerships with 22 of the 24 Services within our networks. Key projects include delivering workshops to over 1,000 children to help them stay calm in an emergency, and working with Derbyshire Fire & Rescue Service to provide 1,000 'memory diaries' containing key information for people with dementia and their families.

### Read more

Part 2 pages 05 and 10

**Outcomes from working with GM and MEA**  
£9,000 saved on fuel bills from 174 heated seat covers

Over 1,000 hard-to-reach stakeholders educated on the risk of CO

Over 500 CO alarms distributed to customers in fuel poverty or with chronic illness

Over 30 appliances fixed free of charge for people living in deprivation

**Outcomes from working with AS and FRS**  
1,000 children taught how to stay calm in an emergency

Over 3,500 Cadent employees trained as Dementia Friends (84%)

500 people benefited from dementia awareness in schools and events

1,000 memory diaries shared through Fire & Rescue Services

## Political engagement

Alongside these strategic partnerships, our Network Directors and regional External Affairs Managers (EAMs) have successfully implemented their regional stakeholder engagement plans, considerably expanding their influence and presence within their networks during 2019/20.

They are leading engagement panels with interested and influential local and national stakeholders, to shape energy policy and ensure we keep abreast of stakeholders' and customers' needs.

Following the 2019 General Election, the EAMs wrote personal letters to the 319 MPs in our networks, of which nearly a third were brand new in post, sharing our priorities and inviting them to visit our local sites and share their views.

Through this engagement, we've forged strong and progressive relationships, enabling us to add more value to our communities. We have become more attuned to customers' needs by working with their elected representatives and are better able to co-create solutions to respond effectively to immediate and future challenges.

The Network Directors and EAMs have brought that knowledge back into Cadent via the Customer Insights Forum and Customer Operations Performance Committee.

Additionally, our strong relationships with fellow infrastructure partners have encouraged cross-industry learning and vital collaboration on projects. This has resulted in economic and operational efficiencies, both of which bring better outcomes for our customers.

### Read more

Part 2 pages 08 and 10

# Delivering and measuring value

Throughout 2019/20 we have engaged with stakeholders and used their feedback to improve our services and transform customer experiences.

## Our stakeholders' priorities

Our stakeholders' priorities are delivered against four themes and the table below outlines examples of the actions we have taken to respond to stakeholder feedback, along with the benefits that these have delivered to our customers and our business.

What stakeholders said	What we did	Outcomes
<p><b>Delivering a service our customers love</b></p> <p>"Cadent needs to get closer to the communities that it serves and provide a more tailored service, where the views of local stakeholders are considered, and local issues are resolved more effectively."</p>	<p>We've transformed our business to get closer to stakeholders, moving to 28 local operating centres and using local customer forums to test our ideas. We've established local task groups to address key issues specific to each area, including reducing gas interruptions for people living in multiple occupancy buildings (MOBs), responding to complaints more effectively and improving our connections processes and customer satisfaction.</p>	<p>C-SAT scores for connections improved from <b>8.19/10</b> in 2018/19 to <b>8.40</b> across our networks.</p> <p>Time off gas in MOBs reduced by <b>62%</b> across all networks.</p> <p>Complaints handling score improved from <b>3.42</b> in 2018/19 to <b>2.76</b> across all networks.</p>
<p><b>Keeping people safe, warm and independent in their homes</b></p> <p>"We want Cadent to understand the needs of people who are affected by multiple challenges such as fuel poverty and mental health, as well as other factors such as living with dementia."</p> <p>"Cadent needs to raise awareness of gas safety messaging, especially with those more at risk of CO poisoning."</p>	<p>We partnered with over 40 charities and not-for-profit organisations to increase our outreach engagement and develop specialist services for customers in vulnerable situations.</p> <p>Our partial funding and leadership of the All-Party Parliamentary Carbon Monoxide Group has enabled the industry to increase collaboration. This is the leading forum for parliamentarians to discuss and promote ways of tackling CO poisoning across the UK.</p>	<p>We are working more strategically with housing associations, landlords and local authorities to promote the PSR and gas safety messaging in multiple languages.</p> <p>We distributed <b>19,000</b> CO alarms through Safety Seymour education, partnership working and our field force engineers.</p> <p><b>5 million</b> people reached through our GDN-wide CO billboard campaign.</p>
<p><b>Going further to be more inclusive and accessible</b></p> <p>"Cadent needs to do more to work with hard-to-reach groups of customers such as those in vulnerable situations, those who speak English as a second language, young, future and business customers."</p> <p>"Cadent's employees need to be representative of its communities and there should be more diversity in its leadership teams."</p>	<p>We conducted compounded vulnerability research with Somali females, people with a diagnosed mental health condition and elderly people. We also engaged with people who speak no English to understand their needs.</p> <p>We have committed to raising awareness of mental health and providing mental health first aid training to 10% of colleagues.</p> <p>We have launched our new Diversity &amp; Inclusion strategy, supported by new Employee Communities for women, ethnic minorities and LGBTQIA+ individuals.</p>	<p><b>27,000</b> people visited the translated website pages.</p> <p><b>720 (17%)</b> of employees are mental health first aiders.</p> <p><b>84%</b> of all managers received unconscious bias training.</p> <p><b>40%</b> of ExCom members are now female, compared to 10% in 2018/19.</p>
<p><b>Committed to creating a better future</b></p> <p>"Cadent needs to take a leading role in the net zero discussions, supporting local authorities and Government in establishing future energy plans and responding to climate emergencies."</p>	<p>Our External Affairs Managers and Network Directors have integrated themselves into national and local energy policy development.</p> <p>We have continued to engage on the practical impacts of introducing green gas solutions on end customers and the gas market through commissioning studies and research.</p>	<p>Appointed to <b>8</b> local energy panels.</p> <p>Over <b>50</b> future role of gas events hosted and attended.</p> <p>Working with <b>44</b> strategic partners on tackling climate change.</p>

## Evaluating our performance

We use a variety of methods to evaluate and benchmark our performance, to ensure that we are investing in the right areas and our actions are making a positive impact.

### Social Return on Investment

We use a Social Return on Investment (SROI) benefits measurement model to prioritise initiatives that we implement and measure their success. The model assesses the societal and community benefits of our endeavours against the cost to achieve them. We also consider factors such as the more traditional cost-benefit analysis, the impact on our brand, the complexity of a project, the risks associated with it and the total cost when planning our work.

### Satisfaction measurements

We measure the feedback we get from stakeholders and customers to understand whether the changes we have made are having a positive impact on their experiences of working with us. We have seen an increase in C-SAT scores across many of our processes in 2019/20.

### Partnership evaluation tool

We use our partnership evaluation tool to measure outputs delivered by our partners against a set of agreed expectations. This enables us to continuously improve the partnerships that are delivering good outcomes, and to amend or stop the ones that are not delivering value for money.

### External accreditation

We engage external parties to evaluate our approach to engagement and the outputs of our activities.

- ISO 14001: Our approach to stakeholder engagement was recognised as a key strength during our ISO 14001 audit this year.
- ISO 55001: The auditors highlighted the embeddedness of our strategy, with a particular focus on our commitment to ensuring stakeholders are kept informed and we respond to their feedback in timely and appropriate ways.



**We have been able to provide assurance from top to bottom. Cadent has endeavoured to ensure that all research, insight and engagement activities are focused on enabling a more customer-centric and outcome-oriented approach to embedding this customer evidence feed into its day-to-day decision-making."**

**Dr Nick Baker, Chief Research Officer, Savanta Group Limited**

## How we have delivered value

The table below lists the case studies covered in Part 2 of this submission and some of the projects we have discontinued as a result of stakeholder feedback. The ticks identify how each initiative corresponds with the assessment criteria.

Theme	Project/case study	Build or New	Embedded	Innovative	Hard-to-reach/challenging	Robust project management	Smart/best practice
<b>Delivering a service our customers love</b>	Embedding our regional operations model	BUILD	✓			✓	
	Maximising efficiency through innovation	BUILD	✓	✓		✓	✓
	Transforming experiences for connections customers	NEW	✓	✓	✓	✓	✓
	Tailored engagement during a major incident	NEW	✓		✓		✓
	Innovative engagement on CISBOT	BUILD	✓	✓			
<b>Keeping people safe, warm and independent in their homes</b>	Social indicator mapping to focus on those who need our support the most	NEW	✓	✓	✓		✓
	Teaching children about CO safety saves lives	BUILD	✓		✓		✓
	Unleashing the power of partnerships	BUILD	✓		✓		✓
	Cadent Foundation	BUILD	✓		✓		
	Engaging in new ways to reduce fuel poverty	BUILD	✓	✓	✓	✓	
<b>Going further to be more inclusive and accessible</b>	Compounded vulnerability research	NEW	✓	✓	✓	✓	✓
	Developing a workforce that represents our communities	BUILD	✓		✓		✓
	Engaging during a pandemic	NEW			✓	✓	
	Transforming services for people living in multiple occupancy buildings	BUILD	✓	✓	✓	✓	
	#Cadentvoices – taking our engagement on the road	NEW		✓	✓		✓
	Raising awareness of anosmia	NEW		✓	✓		✓
<b>Committed to creating a better future</b>	Intense collaboration with public authorities to tackle climate change	BUILD	✓		✓	✓	✓
	Reaching future customers through science and technology	BUILD	✓		✓		✓
	Engaging new audiences on biomethane	BUILD	✓	✓			✓
	Decarbonising through cleaner, greener transport	NEW		✓		✓	✓
	Powering our operations with renewable energy	NEW	✓	✓		✓	✓
	Reaching new heights with hydrogen	BUILD	✓	✓		✓	
<b>Collaborating to achieve better outcomes</b>	Advancing the role of Dementia Friendly Utilities	BUILD	✓		✓		✓
	Leading initiatives to support customers in vulnerable situations	BUILD	✓	✓		✓	✓
	Improving streetworks accessibility	BUILD	✓	✓	✓		✓
<b>Projects that we have stopped</b>	<b>Using data alone to determine our asset replacement strategies.</b> We now use insights from local management teams and data to select and replace the assets that cause the public most problems.						
	<b>Outside meters.</b> Although we had complaints about engineers looking at inside meters, our insights revealed that outside meters were causing more problems, as customers in vulnerable situations had to go outside multiple times. We no longer install outside meters.						
	<b>Writing to geographical locations about line walking.</b> Through working with the land registry, we are now able to write directly to landowners (rather than locations) and our relationship with them has improved significantly.						
	<b>Only using paper C-SAT surveys.</b> We led on a pilot to explore using telephone and online surveys to get C-SAT feedback from a wider and more representative demographic. The results persuaded Ofgem to allow us to use these methods to gather C-SAT feedback in 2020/21.						

# Notes







This report is printed on 100% recycled paper made from post-consumer waste. Both the mill and printer are FSC accredited and follow ISO 14001 environmental procedures. Our printer is also elemental chlorine free, uses vegetable based inks and is carbon neutral.

The lamination on the cover comes from a sustainable resource and its main component is not derived from fossil fuels. It has attained the EN 13432 and ATM D 6400 standards for biodegradability and composability and also has accreditation to the Vincotte OK Compost Home programme.

## #Cadentvoices

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