

Annex 4C.4:

Net Zero Workforce Strategy



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Contents

1.	AN INTRODUCTION TO THIS ANNEX.....	3
2.	WHAT DO OUR CUSTOMERS, STAKEHOLDERS AND COMMUNITIES NEED?	6
2.1	ED2 Engagement	6
2.2	External Specialist Engagement	8
2.3	Employee Engagement	10
2.4	Trade Union Engagement	13
2.5	Customer Engagement Group	13
3.	OUR TRACK RECORD	19
3.1	Our Values and Behaviours	19
3.2	Our Workforce Resourcing.....	21
3.3	Developing our Future Leaders.....	26
3.4	Developing and Upskilling our Employees.....	29
3.5	Workforce Health and Wellbeing.....	31
3.6	Diversity and Inclusion	34
4.	RIIO-ED2 WILL BRING NEW CHALLENGES	38
4.1	Unprecedented levels of change and uncertainty	38
4.2	Skills shortages in emerging areas	38
4.3	High levels of retirement	38
5.	OUR NET ZERO WORKFORCE STRATEGY	39
5.1	Our Strategic Principles	39
5.2	Our Approach	40
5.3	RIIO-ED2 Workforce Commitments	41
6.	OUR PLANS	43
6.1	How we will measure our plans.....	43
6.2	Our Skills Plan.....	43
6.3	Our Attraction and Recruitment Plan	48
6.4	Our Inclusive and Diverse Workforce Plan	53
6.5	Our Health and Wellbeing Plan.....	55
6.6	Our Digital and Sustainable Culture Plan	57

Figures

Figure 1: The Loop Survey	10
Figure 2: 2019 Employee Engagement Action Plan	11
Figure 3: 10 Key Strengths	12
Figure 4: Areas of Opportunity	12
Figure 5: Pulse Survey for COVID-19.....	12
Figure 6: CEG Phase 3 Feedback.....	14
Figure 7: CEG Phase 3 Challenge	15
Figure 8: CEG Sub-group feedback	18
Figure 9: CEG Draft narrative feedback	18
Figure 10: Our Values	19
Figure 11: Our Behaviours	19
Figure 12: Behavioural Model.....	20
Figure 13: Age Profile.....	23
Figure 14: STEM Education	24
Figure 15: Pre-Employment and Social Programmes.....	24
Figure 16: Recruitment campaigns.....	26
Figure 17: On-line learning modules.....	28
Figure 18: SP Mentor Connect	28
Figure 19: Examples of targeted actions and support during COVID-19	31
Figure 20: Mental health awareness campaign	32
Figure 21: Mental health support.....	32
Figure 22: Online Occupational Health Management.....	33
Figure 23: Gender Diversity in STEM and Senior Management	34
Figure 24: Inclusion at ScottishPower	34
Figure 25: VIBE employee-led network	35
Figure 26: SPACE employee-led network	35
Figure 27: IN-FUSE employee-led network	35
Figure 28: Future Connections employee-led network	35
Figure 29: Connected Women employee-led network.....	36
Figure 30: iCAN employee-led network.....	36
Figure 31: Forecast retirement profile.....	38
Figure 32: Talent Ecosystem	40
Figure 33: Strategic Skills	43
Figure 34: Methodology for Future Skills and Critical Roles identification	44
Figure 35: Workforce Segmentation	45
Figure 36: Critical Job Roles	45
Figure 37: Methodology for skills development plan.....	46
Figure 38: Skills Assessment	46
Figure 39: Learning Model.....	47
Figure 40: Additional Resource requirements	48
Figure 41: Solutions approach for critical roles and future capabilities.....	49
Figure 42: Attraction Approach.....	49
Figure 43: Solutions Plan - Buy	50
Figure 44: Solutions Plan - Build	51
Figure 45: Solutions Plan - Bind	51
Figure 46: New STEM and Pre-employment partnerships	52
Figure 47: Diversity and Inclusion Plan	54
Figure 48: Health and Wellbeing Plan	56
Figure 49: SPEN Prosci ADKAR® Approach to Change Management	57
Figure 50: Digital Culture Plan.....	58
Figure 51: Sustainability Culture Plan.....	58

1. An introduction to this annex

Scope

As we accelerate towards Net Zero, our workforce will need to evolve to meet changing workload, technology, sustainability and portfolio requirements. Our existing workforce will need to become more agile and develop new skills and our workforce programmes will need to evolve to meet those new challenges. We will need to maintain our long-term pipeline to address an industry facing skill shortages and continuing high levels of retirement.

We are therefore committing to an ambitious set of actions. Throughout RIIO-ED2 we will invest in our people to make sure that we have the correct skills to deliver our plans, benefiting both our people and the communities we serve.

We will grow our own talent from the communities we serve through a blended approach of multiple inclusive trainee and up-skilling programmes and direct recruitment of key critical skills, to achieve a safe, skilled workforce. To enable the rapid growth of key critical skills and to maintain the appropriate level of supervision for our trainees, we will on an annual basis throughout RIIO-ED2 fill 50% of our engineering and technical roles and 90% of our roles for our field staff using our trainee programmes.

We will create opportunities for our employees by delivering our workforce plans using Just Transition principles to develop new skills through development, upskilling and training plans aligned to our digital transition and journey to Net Zero to achieve a workforce who are motivated and confident to embrace the challenges we face. We will do this through annual internally recruited trainee programmes and annual upskilling plans for our people.

We will continue our long-standing commitment to safeguard the physical and mental health and wellbeing of our people to achieve a resilient, engaged workforce. We will engage with our employees and implement actions plans from their feedback through our employee LOOP survey every two years and specific topic PULSE surveys and we will increase the number of our mental health first aiders to a 1:25 standard by 2024.

We will continue our relentless drive to achieve a truly inclusive and diverse workforce through our improved policies, recruitment processes and by supporting and training our people leaders in D&I Legal training, inclusive recruitment and inclusive leadership by 2025. We will aspire to achieve D&I data collection rates of 60% or more for our existing workforce to support the measurement of our diversity improvements by 2025.

We will embed a digital and sustainable culture within our workforce to support our journey to Net Zero. We will do this through ensuring our current and future workforce benefits from new and enhanced capabilities, providing them with necessary skills for the future through RIIO-ED2.

This document sets out the journey we have taken with our customers, stakeholders, communities and employees to develop our Net Zero Workforce Strategy and what that strategy means in the context of delivering RIIO-ED2.

Key highlights

We will deliver an evolving, healthy, resilient, workforce capable of delivering our business plan in a changing industry while embracing new cultures in digitalisation and sustainability

We will become more inclusive to attract new entrants into our industry and develop new roles and capabilities to meet future skills demands in line with our journey to net zero. We will work collaboratively with our communities and partners towards joint goals.

We will mature our digital and sustainable culture by developing our workforce in key skills.

We will:

- Use Just transition principles to develop and grow our workforce for the future
- Grow our own core talent through multiple channels to be the modern workforce we need for our delivery plans.
- Conduct inclusive recruitment from the communities we serve to build a diverse workforce
- Attract new entrants into our industry through a wide range of channels and collaborative working
- Safeguard the health and wellbeing of our people and support their needs as an inclusive employer

Benefits

A workforce strategy that will deliver:

- An efficient workforce that is more diverse, more resilient with a broader range of skills capable of delivering our business plan and ensuring a just transition
- Improved collaboration with our communities supporting high value local jobs and cultural sustainability within our licence areas
- Increased opportunities to access employment for disadvantaged groups through Just Transition principles

Through delivery of our strategic workforce principles and plans we support the achievement of our strategic goals:

- Develop a network that is ready for net zero – through workforce skills and capabilities
- Be the trusted partner for our customers, communities and stakeholders – through collaboration and employment opportunities
- Ready our business for a digital and sustainable future - through delivery of our net zero workforce plans

Through delivery of our commitments there will be quantified benefits in workforce renewal, opportunities for workforce development, improvements in the wellbeing of our people, increased inclusion and diversity and a new digital and sustainable culture.

Customer and stakeholder input

Our customer and stakeholders have told us that the following are important to them:

Shareholders shared the sentiment that we should be as ambitious as possible in building a diverse and resilient workforce

Stakeholders underlined our responsibility to contribute to reducing the gender and minority gap in the engineering profession. While welcoming our plan to provide Diversity and Inclusion training to senior leadership, stakeholders urged us to undertake further initiatives, such as partnering with institutions to make STEM subjects more appealing to minorities, developing a set of tangible measurables to monitor progress, and adopting a grassroots approach to diversifying our workforce by engaging with community champions/voices.

Upskilling existing employees was considered by stakeholders as essential for us to achieve Net Zero and thrive in the digital age.

Safeguarding the physical and mental health of employees was viewed as one of the highest priorities for us. Stakeholders welcomed our efforts to support employee mental health (such as mental health campaigns) and pointed out a range of additional initiatives that could complement existing activities. Suggestions notably include enabling employees to shape initiatives, appointing health and wellbeing advocates and partnering with charities.

Through an iterative process with feedback from workshops, bi-lateral groups and surveys our stakeholders have shaped our initial commitments and helped us refine them and have also led to the introduction of a new commitment for digital and sustainable culture and improved key actions within each of our commitments.

Delivering our Plan

We will meet our commitments through delivery of the following key plans:

1. Skills Plan
2. Attraction and Recruitment Plan
3. Health and Wellbeing Plan
4. Inclusive and Diverse Workforce Plan
5. Digital and Sustainable Culture Plan

Signpost to Ofgem's business plan requirements

Ofgem BP Guidance No	Annex Page Number
2.4	Section 6.3, Page 48
2.5	Section 3.2.7, Page 26, Section 6.3.1, Page 48
3.18	Annex 4C.4 as a whole, with particular focus on sections 5 and 6

2. What do our Customers, Stakeholders and Communities need?

We have engaged more than 14,000 customers and stakeholders in our biggest ever engagement exercise to build our RIIO-ED2 plan. For this topic, we engaged with workforce experts through specific bilaterals, workshops and surveys as well as asking customers and stakeholders for their views as part of the wider engagement programme. Their views have directly shaped our proposed commitments in this area. We have engaged with our staff and trade unions and been supported and challenged through the engagement phases by our Customer Engagement Group.

Full detail on the engagement approach can be found in Annex 3.1 Co-creating our RIIO-ED2 Business Plan with our Stakeholders. The following sections summarise the engagement done in the area of workforce, externally and internally and key outputs. Annex 3.1m: ED2 Triangulation Record - Workforce, shows the full triangulation between engagement feedback and our commitments.

Some key highlights of how we have developed or changed our Commitments through engagement:

- Our stakeholders talked to us about the size and scale of the changes in sustainability and digitisation – we added a fifth commitment to reflect this
- Our stakeholders told us to be ambitious in our commitments and to have clear metrics – we developed metrics with other DNOs and internally and included them in our commitments
- Our stakeholders told us we need to change our external actions in recruitment to improve diversity – we changed our approach to work with our stakeholders to broaden the reach of our recruitment

2.1 ED2 Engagement

2.1.1 Phases 1&2

Stakeholder Feedback

In our initial engagement, we tested 9 priorities with our stakeholders.

Out of the nine priorities tested, the priority linked to workforce:

'Enhancing our workforce with skilled jobs from the communities that we serve'

received the eighth average importance score, with an average importance of 3.83/5

Stakeholders also suggested the following considerations that SPEN should include in the future development of the Digitisation Strategy and action plan:

- Take into account how the vision will be implemented at the workforce level
- Explore the potential of ensuring customers who are currently excluded from this (i.e. they do not use the internet) can have their uptake increased; and
- Consider SPEN's role in coordination across multiple sectors.

Customer Feedback

We asked our customers to rank 24 priorities.

The workforce related priority:

'How SPEN Invests in staff'

was ranked 18/24 by domestic customers and 16/24 by commercial customers.

Detailed feedback from our customers also included:

- More than half of domestic customers expected advisors to have the knowledge to deal with their enquiry when contacting SPEN, but they would be happy to be passed to the appropriate team to deal with more complex technical issues.
- In contrast, the majority of commercial customers did not expect advisors to have all the answers but agreed they should have the knowledge to direct their enquiry to the appropriate team.
- When asked about their expectations on the field team attending their premises, the majority of commercial and domestic customers agreed that they would expect them to do the following: fix the fault and complete the work required, provide support to vulnerable customers, and provide them with direct customer service updates on the issue or project. Nevertheless, neither customer groups expected field teams to advise on low carbon technologies or energy efficiency.
- Domestic customers also agreed that there is a need for the field team to offer reassurance and excellent customer care such as politeness and respect, explain the issues and leave the properties as they found them.
- Most commercial customers believed that they would not receive support on planning advice, design and cost implications, available government subsidies, project management, and new technologies and market trends when engaging with SPEN on technical matters. Notwithstanding, they believed that SPEN has an opportunity to become a trusted advisor as they do not have enough knowledge on these subjects.
- Finally, commercial customers assumed that SPEN would play a project management role with new connections.

Reputation

- 'When rating an organisation's reputation, customers suggested a range of factors they consider, such as customer satisfaction, value for money, reliable service delivery, ease of communication and how staff are treated within the company. Several customers also mentioned that they are unfamiliar with SPEN, and hence their judgements are mainly based on reliability and boosted by never having heard anything negative about SPEN.
- 'In general, domestic customers do not expect SPEN to play a wider role in local communities to help people back into work but believed it could be useful. In contrast, commercial customers felt that there is an opportunity for SPEN to partner with schools and colleges to help educate young people and offer training to those who are not currently employed.
- 'Reacting to our digitalisation strategy and action plan, stakeholders shared the view that getting the right talent in the company and upskilling the current workforce are the most important success factors in managing the transition to increasingly data-driven ways of working (S2.1)

2.1.2 Phase 3

We used the feedback received in phases 1&2 along with other internal and external input detailed in the following sections to design our draft commitments. In phase 3 of our engagement, we tested these draft commitments with our stakeholders through workshops, surveys and bilateral engagement.

From the feedback we received in phase 3 from our stakeholders, Customer Engagement Group and Trade Unions we refined our draft commitments to those published in our draft Business Plan. With support from the Customer Engagement Group we refined the stakeholders we engaged with and undertook further engagement prior to the final Business Plan submission with more regional stakeholders.

2.1.3 Phase 4

In phase four, our objective was to ensure that our proposals and the RIIO-ED2 business plan are, affordable, acceptable, and supported by our customers and stakeholders.

As part of the overall acceptability testing with customers and stakeholders we launched an open online consultation, where any stakeholder could respond with open feedback on any area of our draft plans which they felt they would like to comment upon.

There was broad support for our workforce proposals from our customers and stakeholders and support for our level of ambition, with some reinforcing we should be as ambitious as possible in this area.

Regional Engagement

In addition to the overall acceptability testing undertaken as part of phase 4, we had been challenged by our Customer Engagement Group to undertake more regional based engagement. This was done through a series of workshops with Local Authorities across our geographical area, covering North Wales, Cheshire, Merseyside and Rural Central and Southern Scotland.

The workshops were managed as an open session, inviting the attendees to share their challenges and priorities in the areas of workforce, skills, diversity and inclusion and wellbeing, before sharing the draft proposals developed through previous engagement.

In addition to broad support for our proposals, there were some key points received through the open discussion:

- Young people leaving rural areas due to the lack of opportunities is a major challenge, and the rural Local Authorities welcomed apprenticeships and the impact of a more hybrid working model following lockdown as it supported valuable jobs in the communities and contributed to cultural sustainability in these areas.
- It was highlighted that there was a heavy focus on inclusion internally and they would like to see more detail on diversity. There was agreement with our internal approach to improving diversity and inclusion, but we were challenged to think about our external approach and what we would do differently to improve diversity. We were invited to broaden our reach in our recruitment campaigns by working with our stakeholders to tap into their existing recruitment communication networks across the community. As a result of this we have included this approach in our commitment.
- It was highlighted particularly from East of Scotland that parents and teachers seem to value a University education for their young people rather than follow an apprenticeship. This reflects our experience in this geographic area, so we are reflecting this in our approach to careers activities to influence the influencers.
- It was recognised by rural Local Authorities that the move to hybrid working supported workers mental health allowing them the ability to have a more balanced work life. There was strong agreement for the importance of supporting mental health, particularly following COVID-19
- Rural Local Authorities recognised the challenges that new ways of working have brought due to COVID-19 and they have accelerated the need for digital skills and a change in culture.

The triangulation between the feedback and commitment development is detailed in Annex 3.1m: ED2 Triangulation Record - Workforce.

2.2 External Specialist Engagement

In addition to the feedback we received from customers and stakeholders, we have worked with specialist organisations to inform our strategy and policies. These include organisations within the fields of skills, education, diversity and inclusion and health and wellbeing. We have reviewed and recognised the output of relevant external publications, as below:

'External influences on the skills and workforce of the power sector - Report by The National Skills Academy Power:

- The risks tied to an ageing workforce coupled with the pressures posed by trends such as the pace of innovation and new working practices are widely recognised. To address these risks succession planning will be crucial for ED2, especially in critical job roles where the level of experience retained can be lost.
- Top three identified priorities: Age profile & retirements, Government policies, digital upskilling & reskilling of the current workforce.

Key points identified: succession planning for retirees, diversity & inclusion varies significantly depending on geographic location, age group and role (recommendation to benchmark against the population served and recruited from), review entry routes for young people and under-represented groups, consider core capability skills alongside those needed for Net Zero and Smart Networks, identify critical roles in a tight labour market and develop solutions.

It is believed that 'engineering' in general tends to attract a narrow pool of the population.

Although the physical nature of the activities undertaken by much of the technical workforce will not change much during ED2, how they conduct those activities will require more IT skills as new digital technologies are introduced for fault-finding, job allocation, etc. Laptops and other hand-held devices are increasingly becoming essential tools of the trade requiring new skills to be developed within the workforce.

EU Skills - 'Procurement Skills Accord

The Procurement Skills Accord is an initiative to promote investment in training and skills development through procurement practices. It has five robust and challenging commitments that require signatory companies to ensure that responsible procurement practices are used to drive investment in skills development, including within the supply chain.

Skills Development Scotland (SDS) - Climate Emergency Skills Action Plan:

Priority Area 1: Supporting a green labour market recovery from COVID-19

Priority Area 2: Building better understanding and evidence of future skills needs to support Scotland's transition to net zero.

Priority Area 3: Developing the future workforce for the transition to net zero

Priority Area 4: Driving awareness and action to support reskilling and upskilling for the transition to net zero

Priority Area 5: Ensuring fairness and inclusion in the skills system as part of a just transition to net zero

Priority Area 6: Taking a collaborative approach to ensure a skills system responsive to changing demands

'Health & Safety Executive - First Aid Requirements

An organisation in the higher-hazard category with more than 50 employees is required to have at least one first aider for every 50 employed.

Within SPEN, we work to a higher percentage of 4% first aiders rather than 2%. We have used this to inform our target for mental health first aid, ensuring it has equal priority.

2.3 Employee Engagement



Figure 1: The Loop Survey

We value the opinions of our employees – their feedback helps us focus on the opportunities for change that enhance the employee experience.

Our employee engagement survey, the LOOP, provides an opportunity for employees across the organisation to share their views. The LOOP is run bi-annually to allow time to deliver action plans, with specific topic surveys issued in the intervening years. It provides both quantitative and qualitative information which is analysed on the comments received.

Our current action plan is based on our last full 2019 survey which had a 65% response rate with our focus for 2020 being to check progress on our plans. Our 2021 Loop survey has just concluded and will be used to inform our new action plans. The action plan from the 2019 survey is shown in Figure 2.

We have also conducted a pulse survey with 10% of our employees randomly selected to participate. Overall feedback showed an increase in employee engagement and employee enablement across the business.

The opportunities highlighted from the survey included maintaining a focus on sharing of ideas and resource across departments, taking advantage of job related training opportunities, cross-team collaboration and teams receiving high quality support from other parts of the Company they rely on. We continue to seek employee feedback to help us establish and prioritise opportunities for change.

2.3.1 Our Action Plan

The Name of Action being addressed	Overview	The Activity	The benefits
There is effective sharing of ideas and resources across different departments.	Promote a more collaborative atmosphere both within and across teams/groups.	Throughout 2020 we delivered 7x all NP&R meeting via both Teams Live broadcast and by Teams Meeting - these events covered high-level strategic updates from the Director and the Leadership team, but also covered ongoing work and updates from other members of the NP&R team - helping to clarify and engage on our strategic direction as a business, while also adapting to a challenge 'new normal' during COVID.	160+ out of a population of 200+ attending on a regular basis. Post event feedback consistently rates these as >4.5/5. Help our colleagues to better understand and engage with our business as we all adjust to different ways of working and helping colleagues to stay connected while working remotely.

The Company motivates me to do more than is required.	Deliver SPEN-wide Celebrating Success scheme to recognise, encourage and share the great work that's happening across our business.	<p>Launch the 2020 Celebrating Success nominations window.</p> <p>We reflected the recent changes after the pandemic into our newly refreshed 2020 scheme.</p> <p>We doubled the amount of recognition award winners for the scheme and doubled the value of prizes for winners. Delivering more recognition when it's needed for our people.</p>	<p>The aim of Celebrating Success is to improve employee engagement by encouraging an overall culture of top down and peer-to-peer recognition through a three-layered recognition scheme and virtual recognition event, that will in turn contribute towards organisational success.</p> <p>It's more important than ever that our people feel valued and recognised for the work they've delivered during 2020.</p> <p>Over 200+ nominations were received for winners and examples of great work across the business - demonstrating the depth and scale of how hard our people have worked this year. They'll be whittled down to approx. 50 winners (including teams and individuals) who will all receive a prize and an invite to our virtual recognition event.</p>
I have trust and confidence in the Company's senior leadership team.	Launch new SPEN communications channels to highlight important company information and direction	To keep our people informed during COVID - we adapted our communications channels and launched a new 'The Wire' regular newsletter update - rounding up important information from across the company and also delivering a regular opening message from our CEO - giving colleagues an opportunity to hear more regularly from Senior Leadership and helping them to understand the important topics we need to be focused on as a business.	The Wire helps to inform and engage our employees on our strategy and leadership direction - with readership rates of more than 65% on average and an average employee feedback rating of >4.5/5 for the publication.

Figure 2: 2019 Employee Engagement Action Plan

In 2020 we chose a random sample of 10% of our workforce to conduct a smaller survey 55% of our workforce responded. Our engagement and enablement scores stood at 66% and 67%. 10 key strengths were identified.

Strength	%
I understand what I am expected to do in my job	93
In my team, co-workers provide support and remind each other to work safely	92
The Company expects a high level of performance from its employees	90
I understand how my job contributes to the Company's strategic priorities and goals	88
There is good co-operation and teamwork within my team	87
The Company provides high quality customer service	86
I believe the Company will be successful over the next 2-3 years	84
The Company is customer orientated (always seeking to understand and meet customer needs)	83

I believe the importance of safety doesn't change as priorities change	83
I am treated with respect as an individual	80

Figure 3: 10 Key Strengths

Opportunities	%
There is effective sharing of ideas and resources across different departments	34
In my job I have time to take advantage of job-related training opportunities	46
My team receives high quality support from other parts of the Company we rely on	47

Figure 4: Areas of Opportunity

We have also used Pulse Surveys to gather feedback from our workforce during the period of COVID19 which has helped us shape the support we provide to our staff. The feedback we received has informed us in the following areas:

Pulse Survey for COVID-19 Workforce Feedback Areas	%
I know where to access resources that will help support my mental health, my safety and my wellbeing	88
I am satisfied with the level of group-wide communications regarding coronavirus	87
I feel supported by my line manager at this time	83
I am satisfied with the level of local business communication regarding coronavirus	79
I have the flexibility in my work schedule that allows me to deal with personal or family issues arising from coronavirus	78
I feel my mental health and my wellbeing are being supported at this time	70
I feel my physical health is being supported at this time	55
Our workforce would prefer to work from home for a minimum of three days.	74
advised that they felt supported by their line manager during this time (Office, depot, in the field and home workers	83
office and depot workers advised they were satisfied with the level of group-wide communications regarding coronavirus; 56% in the field and 94% home based workers	79

Figure 5: Pulse Survey for COVID-19

When asked what more we could do to support our workers at this time.

The top answers for office or depot workers were:

1. Minimise office work
2. Improve insufficient equipment

The top answers for workers in the field were:

1. Recognition
2. Improve safety

2.4 Trade Union Engagement

We have engaged with our full-time officials and our Energy Networks Joint Negotiation and Consultation Forum (ENJNCF), completing a series of collaboration and engagement session with them to ensure their priorities and viewpoints have been considered in the development of our plan:

Full time officials ED2 strategy, aims, principles and challenges

ENJNCF ED2 strategy, aims, principles and challenges

Workforce Resilience Stakeholder Engagement Session

Deliverability Stakeholder Engagement Session

ED2 Our Progress and Draft Plan

ED2 Final Plan submission

Our trade unions have provided feedback on our plans and we have considered and included this within our business plan.

During our engagement with our trade unions they have told us:

Grow our talent by developing and investing in the workforce at all stages of their career through bespoke personal training and development.

Show commitment to investing in our workforce as individuals ensuring they feel valued and encourage leadership at all levels

Engage with our trade union partners and community organisations to attract new talent and reach a wider more diverse community.

Engage with apprentices and Graduates on key messages and show commitment to young workers by ensuring their voices are heard, recognised and valued in the workplace.

Promote an inclusive and friendly environment at all levels of the organisation, encouraging innovative thinking.

Provide a positive working environment promoting good mental health as a guiding principle with all line managers fully trained in mental health awareness and dignity and respect at work.

Recognise and value the work carried out by our employees enabling them to work with confidence and independence.

Be treated with fairness, dignity and respect always and encourage a safe working environment to speak up and out at work.

2.5 Customer Engagement Group

In addition to the main Customer Engagement Group (CEG) a subgroup focussed on workforce was established at the start of 2021. We have held 4 core meetings with this subgroup, with additional follow up discussions and correspondence on specific points.

Subgroup members:

Matthew Cole, Independent consultant within the energy industry, previously at npower, Chair of the Fuel Bank Foundation

Andy Billcliff, Director Menter Mon, 36 years' experience in power plant development, contracting and operation.

Nia Lowe, Strategic Workforce Renewal Manager, Joint Workforce Resilience Lead

Karen McInnes, Senior HR Consultant, Joint Workforce Resilience Lead

During these meetings we have shared with the subgroup details of our approach, plans, engagement and how this feedback has shaped how we have developed our workforce resilience commitments. In response the CEG subgroup members challenged our thinking and our approach.

The following table details the feedback and response from the CEG on the phase 3 engagement plan

CEG Comments	Response	Action
Please explain why there are no Trades Union representatives amongst the list of Stakeholder Groups to be targeted.	Whilst there will be ongoing general engagement with the Trade Unions on ED2 proposals, we take on board your comment and have added them to the Stakeholder list, with the Full Time Officers being invited to the Stakeholder Engagement Sessions. Pre-engagement calls are taking place by the HR Business Partner to ensure a high awareness of the sessions	Full Time Officer call held with ED2 Business Lead, NP&R Director and SPEN HR Business Partner. Series of engagement sessions to gather thought's, views and opinions of our trade union negotiation and consultative forum. Further session planned to provide overview of draft and final business plan
We would expect that representatives of the Health and Safety Executive or similar would have provided valuable insight.	We take onboard your comment and will include the HSE in the Stakeholder list and Stakeholder Engagement sessions. We would also draw attention to our comments below on collaborative working and sharing best practices within Health, Safety and Environment.	HSE invited to stakeholder workshop
This subject is a well worn area for this sector and others and we would expect SPEN to have examined those approaches to develop an idea of best practice.	We have well established relationships with many of the groups within the skills, education, diversity & inclusion and health, safety & welfare sectors that are included in the Stakeholder Plan. We engage with them on an ongoing basis as part of our business as usual to share best practice which in turn informs our workforce strategy.	No immediate further action
Have SPEN been involved in developing workforce resilience metrics - Ofgem expectation that SPEN will have developed metrics with other DNO's	SPEN is part of a cross-DNO (6 DNO's) collaboration working group to develop key workforce resilience metrics. The common set of metrics will be in the three initial areas stipulated by Ofgem: <ul style="list-style-type: none"> • Diversity/inclusion • Workforce satisfaction • Mental health in the workplace With remaining areas reviewed and agreed for the December submission.	Priorities and metrics agreed in three initial areas and detail added into workforce resilience narrative and annex.
Will there be targets set as part of the cross-DNO metrics agreement	DNO's are not seeking to set or agree cross-DNO targets. Agreed across DNO's that these will be by individual DNO's, in line with their draft ED2 business plan.	Metrics detail references within BP narrative and detail added into workforce resilience annex

Figure 6: CEG Phase 3 Feedback

CEG Challenge	Response	Action
<p>We challenge SPEN to seek advice and learnings from other DNOs and comparative sectors to gather information on best practice to inform its plans.</p>	<p>We share learnings and best practice with other DNOs and Industry companies on an ongoing basis through established organisations and forums such as the National Skills Academy for Power (NSAP), Skills Development Scotland (SDS), ENA Open Networks Workstream.</p> <p>We have been working collaboratively through the EU Skills Diversity & Inclusion subgroup with Scottish and Southern Electricity and UK Power Networks to share our experiences and innovation in this field.</p> <p>We have also undertaken benchmarking with the following companies on trainee and apprenticeships: BAE ABB SIEMENS South Lanarkshire Council Northern Ireland Electricity Scottish & Southern Electricity National Grid</p> <p>If there are any other specific examples of best practice the Customer Engagement Group are aware of, we are open to approaching the company or organization with a view to working collaboratively.</p>	<p>Continue to work collaboratively through established and new forums</p>

Figure 7: CEG Phase 3 Challenge

The following table details the additional challenges and responses from the CEG sub group for Workforce:

Topic Area	CEG Workforce Resilience Sub-group feedback	SPEN Comments
Engagement	Stakeholders that have fed into the proposals appear to be a mix of (mainly Scottish) organisations that Scottish Power's corporate HR department engage with as part of day-to-day activity – it would be good to understand any ED2-specific engagement, and also see more from bodies in England and Wales. I know that John Howard challenged at Stage 3 about wanting to see the trades unions and the HSE engaged in the process, and I've made a similar request. I know this is now in hand, but it would be good to see who is now on the enhanced stakeholder engagement list and timescales for this to take place. I would be minded to highlight the stakeholder engagement challenge in the narrative since it's also on our CEG log, and shows the value of us working together.	Ph3 engagement plan was amended following the feedback from John Howard. 49 stakeholders attended the ph3 workshop, representing 26 organisations. 39% of participants represented the energy industry and 14% were from the business and enterprise sectors. The third most represented group was delegates from renewables, environment and sustainability, with 11% of stakeholders. An ongoing engagement plan is in place and underway with the Trade Unions The draft narrative references the input from the CEG
Engagement	The focus in any stakeholder conversation seems to be around 'how to get people into the organisation' rather than understanding what individual communities or regions could be looking for and the workforce barriers that may exist locally. We talked about what I had seen at WWU where some local authorities in the south-west were pushing WWU to have more local decision making and management. Centralising functions and management many miles away can highlight the lack of potential local career progression and was cited (in WWU engagement at least) as a reason why some don't join the industry. If you can share who you are planning to engage with from a regional perspective that would be grand.	We have had a number of discussions on this topic in our sub-group meetings and we have committed to: Ensure engagement going forward is asking open questions, rather than just testing our commitments Between the draft and final narrative engaging with Regional Government careers and industry bodies and Regional business enterprise bodies A statement on this has been included in the draft narrative.
Engagement	The draft proposals talk about extensive engagement. The guidance we have had from Ofgem suggests that we should be looking to see an independent assessment of there being extensive activity.	Wording in the draft narrative amended following sub-group feedback The question has been raised with the central ED2 team about independent assessment (other than the CEG) of stakeholder engagement, but believe this is the function that the CEG are fulfilling. Please clarify if this is not what was meant.
Engagement	The draft also details that stakeholders have strong support for SPEN to do XYZ. This may be a presentational thing, but I think it would be clearer to detail their requirements	We take this guidance on-board however there was limited time to revise prior to the formal issue of

	first and then how you propose to meet them (and indeed surprise and delight stakeholders and customers). It will also help the story flow and demonstrate the insight-led approach.	the draft narrative to the CEG this week. We are reviewing how this information is presented along with any further feedback received from the CEG.
Employees & Supply Chain	It's encouraging to note that SPEN has built the views of employees into the plan, but I think some of the ambition could be made more challenging. For instance, a survey every 24 months and a commitment to deliver 95% of SPEN's plan off the back of the survey doesn't feel as challenging on reflection. Given the significant changes with digitisation and roles becoming more customer centric, there is probably more need than ever to be dipping into the workforce to understand issues and perceptions, etc.	The formal staff survey every 24 months takes place in parallel with the more agile Pulse surveys on specific topics. We will revise the narrative to ensure the scale of the ongoing staff engagement is clear, particularly with regard to the significant culture changes of digitalisation and sustainability.
Employees & Supply Chain	The narrative bounces around a little a bit, describing SPEN, Iberdrola and Scottish Power. For the uneducated this might add some ambiguity and confusion about accountability... especially because the workforce plan still seems rather internally focussed, referring to the skills that SPEN employees need to have etc. When we explored this I understood that some SPEN activity is delivered by Scottish Power corporate and so any new and additional skills needed here should be built into the plan too. I know that SPEN's Exec team is currently discussing what work is outsourced to third parties and what remains inhouse. From an Ofgem and ED2 perspective however, this internal decision is immaterial for SPEN's plan since for WR we need to see how SPEN will have a resilient workforce able to deliver commitments in the plan, regardless of whether they are employed inhouse, or through the supply chain.	Feedback taken on-board. We will review how we describe the different functions and ensure we are clear around the supply chain. We understand the point made about needing to understand there is a resilient workforce irrespective of whether it is internal or out-sourced, however the mechanics of achieving that will be different for out-sourced to internal staff.
Employees & Supply Chain	Last week you highlighted that you would encourage that any SPEN customer service and environmental standards were upheld across the Supply Chain. We might want to drill into this more, but for me this is a potential red line since Ofgem will be looking for surety that SPEN's commitments in the plan will be delivered by whoever is delivering on behalf of SPEN, and that SPEN is clearly accountable for activity taking place on its behalf.	We note the feedback and have fed this back into the wider ED2 team.
Targets	Where an ED2 commitment follows on from ED1, we need to see both current ED1 performance, and a forecast outturn for the end of ED1, and a clear target for ED2. If	In ED1 Ofgem set specific output categories for the commitments, which didn't include workforce, however if we have data from ED1

	<p>appropriate we also need to understand the options and thinking you went through that allowed you to settle on your chosen proposal. For instance, what are the specific targets around bringing in employees from non-traditional communities etc. It's important to show this. There are also some statements about current employee sentiments around response to COVID-19. Although interesting, I'm not sure that this adds to the message since it's not clear if these are being used as a springboard from which to build ED2 proposals? And if this is the case, the narrative needs to be strengthened to draw this point out.</p> <p>I would challenge that some of the stated targets need to be more ambitious. For instance, D&I legal training by 2025, and re-written gender-neutral training material by 2024. I am sure that SPEN is already absolutely compliant with the Equalities Act, but the two items above don't feel like multi-year projects, and importantly are things that are very high on some external stakeholder priority lists.</p> <p>Likewise I would argue that targets should apply across the supply chain too and not stop within SPEN or SPEN/SP. If research and insight is informing the proposals, I'd very much expect any 'this applies to SPEN not supply chain' to have clear evidence suggesting that this approach was acceptable.</p>	<p>that aligns with ED2 commitments then we are looking to include this.</p> <p>In the sub-group meetings we have discussed the common metrics being developed in the cross DNO working group. We have added a comment in the draft narrative to say we will continue to develop a consistent set of metrics collaboratively.</p> <p>Once these metrics are established, we will consider what targets should be set. Some of these metrics may be new to our business and we will need to understand our current baseline.</p> <p>We discussed in the sub-group being clear in our narrative what we were doing over and above the legal requirements, particularly in the D&I area. This will be done as part of the current phase of feedback and hasn't yet been changed in the draft issued to the CEG.</p> <p>We also take on-board your challenge that some of the targets could be more stretching and will review this.</p> <p>We note your comment on targets for supply chain</p>
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Figure 8: CEG Sub-group feedback

The following table details the additional feedback on the draft narrative from the CEG for Workforce

CEG Feedback	SPEN Action
The CEG challenges SPEN to undertake further research with a wider range of non-traditional stakeholders who have an interest in workforce resilience to inform further iterations of the plan.	Discussions in the sub-group have been to do further regional engagement with local government and business enterprise agencies. Engagement to be incorporated into final plan
The CEG challenges SPEN to consider the importance of ensuring that its workforce resilience commitments, plans and strategies apply across both SPEN itself, and its wider supply chain, in particular to support the sector-wide transition to Net Zero.	We acknowledge the challenge from the CEG and this will be developed through the supply chain discussions that are underway.
The CEG challenges SPEN to develop more stretching and ambitious workforce targets to highlight its passion to deliver ED2 (and beyond) through a diverse workforce, that is better representative of the communities in which it operates	Cross DNO metrics are being developed, targets will be considered against these metrics and against our commitments within the plan for final submission

Figure 9: CEG Draft narrative feedback

3. Our Track Record

3.1 Our Values and Behaviours

Our unique culture is underpinned by our Values: Sustainable, Dynamic, Collaborative. They define what we believe in, what we stand for, and how together, we can accomplish amazing things - and achieve a better future, quicker.



During 2020/1 we worked hard to embed our values and behaviours.

We launched our 2020 values journey providing a framework to facilitate four team talks, created a Yammer community, hosted 10 webinars for employees, people leaders and values champions, and delivered workshops to support our people leaders to think about what the values mean to them.

Figure 10: Our Values

This is an ongoing activity to keep our strategic goals and activities aligned.

Our behaviour activation plan focused on the key stages of the employment cycle, attraction, recruitment, development and performance to ensure our behaviours are a core part of our process, programmes and ways of working.



Our Behavioural Model provides a common framework, a roadmap, on the expected behaviours for how we interact with others and accomplish not only our daily activities but the strategic goals of our business.

The Behavioural Model is aligned with our Purpose and Values as well as our Company's strategy.

We have a Behavioural Model to provide a common language and consistent foundation for the employee experience in terms of selection, training, development and performance.

Figure 11: Our Behaviours

3.1.1 Principles and Behaviours

The Behavioural Model consists of six principles which are grouped into three major areas; People, Relationships and Results. For each of the six principles, descriptors have been defined for three major career segments within the Company: Individual Contributor, Manager, and Business Leader. These descriptors describe how we put our values into practice every day.



Figure 12: Behavioural Model

People: Reflecting and focusing on ourselves to better understand our strengths and opportunities to learn and develop which will allow us to continue to evolve and grow.

Relationships: We are part of a broader ecosystem, one of which we interact and relate with other colleagues, teams, customers, companies, etc. We need to strengthen our abilities to make us a key partner in the Iberdrola Group.

Results: Being a part of the Iberdrola Group, we are committed to driving and executing our strategic initiatives. We must do so by focusing on achieving our results and striving for excellence while being agile and efficient.

3.2 Our Workforce Resourcing

During RIIO-ED1 we have continued to build on our workforce renewal programmes established in DPCR5. At the start of RIIO-ED1, we set out to maintain a skilled and effective workforce through a strategy that incorporated growing our own talent through trainee programmes to replace high levels of staff retirement. Our goal while doing this was to re-balance our age profile to reduce the median age and address the peak of staff nearing retirement, without creating a new peak that would become a problem in 30-40 years' time.

This strategy was supported by an approach of recruiting locally and training centrally and a drive to broaden the appeal of our sector to attract new entrants. We also recognised that we needed to prepare for the changing skills need that would take place as we neared the end of RIIO-ED1 and moved into RIIO-ED2.

3.2.1 Trainee programmes

To date during RIIO-ED1 we have successfully recruited over 600 trainees onto our programmes, with the addition of upskilling 65 of our staff to become technical craftspersons and 43 of our staff to become engineers.

Through our programmes we have formed our core pipeline of highly skilled engineering and technical staff. 95% of our craft roles and 75% of our core engineering and technical roles were filled through our trainee pipeline. This was in the context of unprecedented levels of retirement amongst staff, brought forward by changes in pension legislation.

In line with our long term strategy on future skills, we have broadened our range of trainee programmes, introducing 10 new programmes during RIIO-ED1. These have included digital disciplines and we have recruited our first cyber security and data science graduates and graduate apprentices.

Our Trainee Programmes now include:

Craft Apprenticeship Programme

Our Craft Apprenticeship Programme brings learning and earning together. Not only do our trainees study towards nationally recognised qualifications, they develop new skills and gain invaluable knowledge and experience. Over the three year period, the programme combines academic study at college, technical training at our inhouse training centres and on the job learning under direct supervision of time served staff, to train to become a fitter, jointer or overhead linesperson with an MA in Power Distribution with the following units:

- Certificate in Electrical Power Engineering: Overhead Lines at SCQF level 5 (Competence)
- Certificate in Electrical Power Engineering: Substation Plant at SCQF level 5 (Competence)
- Certificate in Electrical Power Engineering: Underground Cables at SCQF level 5 (Competence)
- City & Guilds SCQF Level 5 Certificate in Electrical Power Engineering (Knowledge)
- Core Skill Communication SCQF 4
- Core Skill Working with Others SCQF 4
- Core Skill Problem Solving SCQF 4
- Core Skill Information Technology SCQF 4
- Core Skill Numeracy SCQF 4

Adult Craft Trainees

Our Adult Craft Trainee programme is a two year fast track conversion programme for people who have relevant experience from other companies or industries or have already completed an apprenticeship in a related discipline. The programme allows them to retrain to become a fitter, jointer or overhead linesperson. It follows a similar format to our Craft Apprenticeship. This programme forms

part of our strategy to rebalance our age profile. The formal qualifications they complete as part of this programme are:

- Certificate in Electrical Power Engineering: Overhead Lines at SCQF level 5 (Competence)
- Certificate in Electrical Power Engineering: Substation Plant at SCQF level 5 (Competence)
- Certificate in Electrical Power Engineering: Underground Cables at SCQF level 5 (Competence)
- City & Guilds SCQF Level 5 Certificate in Electrical Power Engineering (Knowledge)

Technical Craftsperson

An upskilling programme for our time served craftspeople. This programme builds on the core electrical knowledge and practical skills to enhance technical knowledge in network operations, fault, maintenance and investment work to support our engineering staff. The technical craftspeople programme also serves as a pipeline to our engineering training programme.

Engineering Training

This two year development programme is a key element of our upskilling strategy for our existing field staff. We support our field or technical staff who have already completed an apprenticeship or gained technical experience and want to progress to become an engineer. As a precursor to the 2 year programme, we support participants through further education to gain a HNC in Electrical Engineering and beyond that to gain practical experience across different engineering disciplines. The programme is a mix of technical and on the job training, shadowing experienced engineers to develop core engineering skills. The programme objective is to produce well rounded engineers with an operational focus and forms a core strand of our workforce renewal strategy for senior authorised engineers.

Power Engineering Apprenticeship

A three year higher skills apprenticeship, this programme provides an opportunity for new entrants or those looking to re-train to gain an HNC in electrical engineering complemented by inhouse technical and on the job training across different engineering disciplines. The programme includes placements within different engineering departments, shadowing experienced engineers. This programme sits alongside our engineering training programme as a core part of the strategy for the workforce renewal of operational senior authorised engineers.

Graduate Programmes

Our two year Graduate Engineering programme is IET accredited and forms the backbone of our workforce renewal strategy for our future technical specialists and senior management. Our core disciplines within our graduate engineering programme are electrical and mechanical engineering, with smaller numbers of more specialist engineers for specific roles in civil or systems engineering. Our graduates complete a mix of technical and on the job training across a wide range of business placements giving them a strong foundation on which to build in their first role.

During RII0-ED1 we have expanded our graduate programmes to include a range of professional disciplines including business, economics, finance, data analytics and cyber security as part of our transition to a digital future.

Project Management Apprenticeship

A three year higher skills apprenticeship, this programme is designed to develop Project Managers capable of managing engineering projects and programmes within our distribution licences. Open to higher school leavers or those looking to retrain the programme includes a diploma in project management together with formal and on the job training.

Operational Engineer

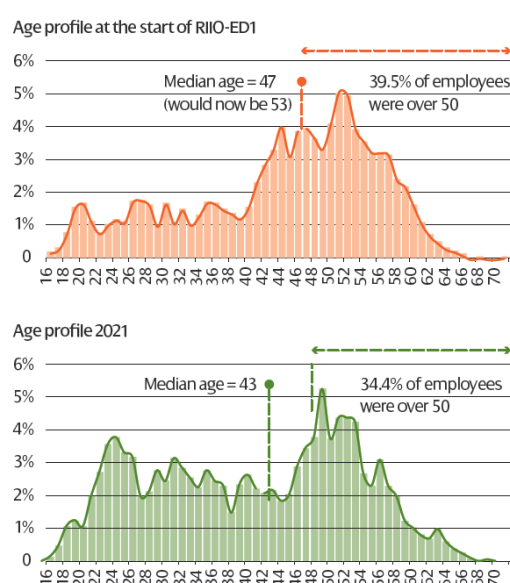
This programme was introduced as part of an agile response to a peak of retirement within our operational engineering population. It is a conversion programme for engineers from related industries, with a focus on gaining network knowledge, experience and authorisations.

Graduate Apprenticeships

In 2020 we introduced our first graduate apprenticeships. These were in data analytics, cyber security and our first accessible graduate apprenticeship in Business. These are four year programmes, run in conjunction with established universities and provide a mix of academic, technical and on the job training. Although still in their early stages, these programmes are an excellent fit within our overall suite of workforce renewal programmes and will become part of our longer term workforce renewal strategy. We are building on the early success of these programmes with further graduate apprenticeships in business and in real time systems.

3.2.2 Rebalancing the age profile

During RIIO-ED1 one of our goals was to address the age profile of our employees. Our aim was to re-balance our age profile to reduce the median age and address the peak of staff nearing retirement, without creating a new peak that would become a problem in 30 to 40 years' time.



We did this through a range of trainee programmes, bringing people in at different stages of their working career and age.

At the start of RIIO-ED1 our age profile had a median age of 47, with nearly 40% of our employees over the age of 50.

We have successfully reduced our median age to 43 and the percentage of employees over 50 to just over 34%. As can be seen from the graph, although we still have further to go on this, the age profile is now much more balanced across the ages.

Figure 13: Age Profile

3.2.3 Attraction and Retention

Our trainee programmes are supported by a strong STEM and career guidance programme in schools and colleges. This feeds into our pre-employment programmes such as our pre-apprenticeship, Year in Industry, vocational placements and scholarships.

We also have a number of social programmes designed to support a range of people from disadvantaged backgrounds into education and employment.

3.2.4 STEM, Pre-Employment and Social Programmes

Our approach to STEM and pre-employment is to inspire from age 7 onwards through educational activities and enable from age 16 onwards through pre-employment programmes. To achieve this, we actively take part in a range of STEM related activities across our local areas.



Figure 14: STEM Education

We are keen to deliver the importance of STEM across our geographic area, some of the key events we have been involved in are:

Electric Detectives at the Glasgow Science Centre, science-based workshops for primary schools

Generation Science, workshops delivered primary schools in the Dumfries & Galloway and South Lanarkshire areas

ALLaboutSTEM workshops delivered to primary schools in Liverpool. All About STEM is about doing amazing things to inspiring young people and to promote exciting and rewarding Science, Technology Engineering and Maths opportunities. We work to bring exciting events to schools, linking them with business and industry expert volunteers, inspiring the next generation of STEM specialists.

Skills Scotland Staffrooms, sponsored area to meet with teachers and career influencers, Glasgow, Edinburgh and Manchester

Young Engineers and Science Clubs, regional and national events to identify future Scientists and Engineers

Earlier in 2021, we signed up to the new **Young Person's Guarantee** and committed to furthering opportunities for young people and those from disadvantaged backgrounds around the UK. This includes grassroots pre-employment schemes in local communities for young people in and around Glasgow.



Figure 15: Pre-Employment and Social Programmes

Our pre-employment and social programmes provide valuable skills and work experience to young or disadvantaged people and a core talent feed into our trainee programmes. Our pre-employment programmes include:

Pre-Apprenticeship – this programme provides a talent feed for our Craft Apprentice Programme for students with National level or GCSE qualifications. Based at 3 College locations, Glasgow, Cheshire and Edinburgh, students are sponsored to gain an electrical engineering qualification over 6 months

at Level 2. During college holiday periods they receive overhead lines, cable jointing, basic hand skills, fitting and first aid training at our training centres.

Breaking Barriers - Our award winning Breaking Barriers programme is delivered in partnership with The University of Strathclyde and Enable Scotland. It includes access to mainstream university, where learners study for a Certificate in Applied Business Skills at Strathclyde Business School, a graduation ceremony and an eight week work placement within the company. The programme supports young people with learning disabilities, providing equal opportunities to access university courses and supported work placements. The programme aims to raise aspirations for people who have a learning disability and provide equal opportunities to access university.

Year in Industry placements – Part of a UK wide scheme delivered by the Engineering Development Trust, these offer a year's paid work experience available for higher school leavers and undergraduate students. For preuniversity school leavers they provide a valuable insight to our industry and the types of roles available. Some of our Year in Industry students go on to University, often becoming scholarship students and joining our graduate programme. Many of our Year in Industry students apply for our higher or graduate level apprenticeships and become permanent employees.

Summer Internships & Vocational Placements - These placements are used to provide students in education the opportunity to gain work experience in the industry/discipline they are studying.

IET Power Academy Scholarships – a joint initiative established between industry, academia and the IET to encourage graduates into the power industry. Scholarships are offered to undergraduates studying Power Engineering or related degrees at key universities. The scholarship can last for a number of years and include annual summer placements and an annual summer seminar for all Power Academy scholars across all the companies, offering the chance to hear from leading industry figures and build contacts and network across the industry. On completion of their scholarship they are offered a place on the graduate programme.

Master's Scholarships - Scholarships are offered for 1 year post graduate courses, or the final year of an integrated master's degree, for students looking to progress their careers in the energy, digital and environmental industries. Scholars are allocated a mentor and receive full course funding for their master's studies and a living allowance. Support for their master's research is also provided. On successful completion of their scholarship they are offered a place on the graduate programme.

STEM Returner - The programme supports men and women to return to work in the STEM industries after a career break of 2 years or more, or those who have lost a STEM career due to the pandemic. The programme helps applicants refresh their existing skills and knowledge while building their confidence in a working environment through a structured pathway, helping the individual to secure a permanent role within the company or elsewhere. The wider context for the programme is to address a STEM skills shortage across the industry.

3.2.5 Case Studies

Trainee A – joined as a pre-apprentice in 2011 gaining their level 2 qualification in electrical engineering. Following successful completion of this programme, they secured a place on the Craft Apprenticeship in 2012, qualifying in 2015 as an overhead lines craftsperson. They spent 3 years working as a craftsperson, during which time they were supported by the company to complete an HNC in electrical engineering. In 2018, trainee A secured a place as a Trainee Engineer on our internally recruited programme. Having successfully completed this programme, they now work in our Lanarkshire District as an engineer. Trainee A's journey is not uncommon, as trainees are able to progress and further their careers through subsequent programmes.

Trainee B – first joined us through the Breaking Barriers programme, supported by The University of Strathclyde and Enable Scotland. Following completion of the Breaking Barriers programme, they secured a place on our Year in Industry scheme, working within our Design and Standards team. Trainee B did so well they were offered a place on Scotland's first accessible Graduate Apprenticeship, studying Business within an engineering environment. Trainee B is currently in their second year of this programme.

3.2.6 Recruitment

We advertise for our external roles through our ScottishPower.com site and use LinkedIn to develop external talent pools and advertise roles. In addition, for our trainee programmes we use career sites and social media to raise awareness of our recruitment campaigns.

We run an Employee Referral scheme through our internal Yammer groups and our internal email to encourage employees to refer candidates for roles within SPEN.



Figure 16: Recruitment campaigns

3.2.7 A Results Oriented Culture

At all levels there has been a clear link between the achievement of the business plan, individual contribution, annual salary increase and annual bonus. This is managed through objectives and review points and tracked through our performance management process in our HR systems.

In addition, we have a Share Incentive Plan which all our employees are able to participate in. Share plans help employees feel part of the wider Iberdrola Group and highlight their responsibility to contribute to business success.

3.3 Developing our Future Leaders

Leadership within our business has never been more important. This has been a critical role in delivering our performance during RIIO-ED1 and in shaping and delivering our future. We have worked hard to develop our collective leadership capability, and are supported by our parent company Iberdrola through the following programmes:

Iberdrola School of Leadership delivers senior leader development through three main channels:

- E-Leader online learning resource

- IMD; Corporate Learning Network (CLN) providing resources, online programmes and events aimed at Senior Managers Iberdrola worldwide

- Delivering four Strategic Programmes

Group Strategic Programmes:

Energising Leaders Programme is aimed at new senior leaders with high potential early on in their leadership career. The objective is to improve skills and capabilities, providing a systematic and strategic framework to address the main issues and activities likely to be encountered in any

multinational organisation. It covers different areas strategy, leadership, finance always highlighting the international dimension of those areas.

Leading in the Age of Disruption follows Energising Leaders Programme. The objective is to improve analysis skills, ability to anticipate and adapt to the constant changes of the environment. To foster the use of new tools and methodologies that promote a better execution of work and results for the Company. To improve the way the lead change through reflection and self-awareness, to provide them with tools to apply necessary changes.

Global Leadership Programme is aimed at experienced senior managers with high potential and strong professional background within the organization. The objective is to help participants to improve global leadership capabilities and change the culture through a series of learning and application stages. The programme focuses on provoking this individual transformation through a series of working methodologies and techniques.

Driving Leadership Transformation Programme follows Global Leadership Programme. The main objective is to reinforce learnings by enhancing and strengthening transformation capabilities as global leaders.

At a local level in SPEN we introduced our **leadership journey map** and developed the following programmes:

Leadership Fundamentals; to equip new people leaders with the skills and abilities required to lead and manage teams. The programme defines a common approach when developing new leaders to increase global consistency aligned with our values and behaviours.

Advanced Leadership; the programme aims to equip those who are leading others to reach their full potential by creating and embedding a consistent approach to great leadership.

Leadership Mastery; to equip new senior leaders, this programme is about being strategic leader equipping participants to understand and fulfil the role of a strategic leader in SPEN. Empower and inspire others to deliver the SPEN purpose, role model and encourage a commercial mindset and drive an agile way of working and learning culture.

We moved all our face to face programmes online to continue delivery through COVID and they remained this way for 2021.

Online Learning

During RIIO-ED1, to support our people leaders and employees, we launched:

- 31 online learning modules focusing on behaviours, leadership, diversity and inclusion

- New Powerful Conversations module targeted at all our people leaders

- New Positive influencing module for all employees

Learning Modules



Workplace learning helps us to develop and maintain effectiveness at work. **Be curious** and seek out opportunities when you can to develop your skills and learn new things. A focus on development helps us all to adapt to our fast-changing environment, to contribute to the business strategy and to create a **better future, quicker**. Take a look at the **suite of new online resources in GEP**, when the time is right for you.

People

STRENGTHENING BEHAVIOURS

[Communication >](#)

[Listening >](#)

[Questioning >](#)

[Powerful Conversations >](#)

[Resilience >](#)

[Building Resilience >](#)

[Facilitation >](#)

LEADERSHIP SKILLS:

[Inclusive Leadership >](#)

[Maximising Potential through Developing Strengths >](#)

[Developing Leadership Skills >](#)

[Six Steps to leading productive meetings >](#)

[Motivating People >](#)

[Handling Difficult Conversations >](#)

[Tackling Problem Behaviour >](#)

DIVERSITY & INCLUSION AWARENESS:

[Trans and Non-Binary Awareness >](#)

[Understanding and Confronting Sexual Harassment at Work >](#)

[Cultural Awareness >](#)

[Understanding Race Bias >](#)

[Disability Confident >](#)

[Sexual Orientation >](#)

[The Effective Bystander >](#)

[Banter in the Workplace >](#)

[Working Effectively with the Equality Act >](#)

[Understanding Unconscious Bias >](#)

Relationships

[Building Trust >](#)

[Influencing >](#)

[Developing Emotional Intelligence >](#)

[Empathy and Emotional Intelligence >](#)

Results

[Decision Making and Prioritisation >](#)

[Delegation >](#)

[Goal Setting >](#)

To help you identify which behaviours are your strengths and which need more focus, we've created a new easy to use, online Behavioural self-assessment. [Click Here to Access.](#)



Figure 17: On-line learning modules

Behaviour Self-Assessment & Byte Size Learning

Launched in January 2021 to help our employees identify which behaviours are their strengths and which need more focus, we created a new easy to use, online behavioural self assessment diagnostic with byte size learning modules for all employees, with an option to self assess against three levels.

Leadership Mastery Programme

An output from our Leadership Mastery Programme was the desire from some of our new senior leaders to create a people leader community. This network of people leaders would drive personal development, support, innovation, improvement, implementation of best practice and reflection.

Mentoring

During 2020 we launched SP Mentor Connect, an online platform to encourage and support mentoring relationships.



We launched our Connected Leaders Community in October 2020, starting with those employees who completed a talent or leadership programme.

Figure 18: SP Mentor Connect

3.4 Developing and Upskilling our Employees

3.4.1 Developing Talent

We consider it a strategic priority to secure and retain the right talent to deliver our key drivers and continue to invest in the development of our workforce. This will help us maintain the correct balance of current and future skills.

During 2020 we had 13 of our most talented staff complete a leadership potential self-assessment. After exploring the individual report outcomes, we created personal development plans.

Our parent company Iberdrola has a partnership with Comillas University in Madrid and Strathclyde University in Glasgow to deliver a 2½ year, part-time MBA in the Global Energy Industry programme, aimed at those in the talent population with the highest potential. Each cohort brings together 30 individuals from Brazil, USA, Mexico, Spain and the UK with the following objectives:

Enable the organisation to improve operational efficiency and exploit growth opportunities associated with a consolidated international presence

Develop management and leadership competence with a focus on the context provided by the global energy sector and the specific objective of Iberdrola by:

- receiving business and engineering classes reflecting energy sector imperatives and challenges
- providing management tools, analytical skills and the specialist knowledge required to effectively lead the organisation
- learning through a mixture of self-study, lectures, seminars, online webinars, group work and exposure to different 'real life' business scenarios and case studies

Iberdrola also provide development opportunities for our talent population through the IMD business school in Switzerland. These opportunities are split into 2 distinct offerings:

Driving Performance Through Leadership and Management programme – This online, global 2 module programme provides leadership and management skills over an 8 month period.

IMD Online Programmes – These online business courses with personal coaching, last for 6-8 weeks and cover a wide range of business programmes, from leadership to strategy to digital transformation and innovation.

Our annual succession planning framework consists of six stages:

1. Identify succession roles
2. Build success profiles
3. Nominate successors
4. Assess development needs
5. Develop successors
6. Measure progress

We focus on attracting new talent and skill sets into the business in line with forecast requirements in workforce and future skills requirements. This focus will enable the business to be data and digital ready with the correct mix of innovative solutionbased thinkers.

We annually follow a process of gathering future leadership and development skills, deliver local programmes and as we are part of a global organisation our leaders, future leaders, talent, and critical workers have access to global programmes, with our nomination process running in the first quarter of each year.

3.4.2 Upskilling our employees

To date in RII0-ED1, we have completed an average of 260 hours of training per employee, covering operational, technical and development training. Through our trainee programmes, we have upskilled 65 technical craftspeople and brought 43 people on to our trainee engineer programme.

In 2020 we introduced our first digital mentoring programme across Iberdrola and Scottish Power with nine participants from SP Energy Networks.

We have also begun a substantial environmental training programme to ensure that all staff have the relevant knowledge to be able to competently manage environmental issues that they encounter in their daily work.

Environmental Training Programme

Our Environmental training plan is being delivered through a combination of e-learning and trainer led courses. The range of learning covers:

E-Learning:

- Environmental Overview
- Nuisance
- Site Development
- Water pollution and use
- Wildlife and Countryside
- Waste Management
- Spillage Control
- SF6 Awareness

Trainer Led:

- Managing with Sustainability
- Leading with Sustainability
- Wildlife Law
- Managing environmental risk in project management
- Managing environmental risk (field Op's)
- Contaminated Land

3.5 Workforce Health and Wellbeing

During RIIO-ED1 our objective was to promote and support the highest degree of health and wellbeing at work. We delivered this through RIIO-ED1 with structured plans informed through our employee engagement.

3.5.1 Employee Engagement

Every other year, we undertake a full employee survey (Loop Survey) across the whole workforce, measuring engagement and empowerment. We use the output from the survey to form action plans to build on our strengths and to address areas where we can improve.

In addition to these full surveys, we use an agile approach with smaller, more focused surveys (PULSE survey) with a cross section of our workforce. These can inform how we respond to emerging or topical issues like COVID-19 or the risk of fatigue. During RIIO-ED1 they provided valuable insights into how our workforce were coping during COVID-19 lockdown, providing us with feedback on employee mental health and wellbeing, line manager support and communications.

This feedback enabled us to provide targeted actions to support our staff during a difficult time and is shaping our approach for our future hybrid working model.

Looking after yourself... LIVE online event

- Session 10:
Burnout - a state of mental and physical exhaustion
- Session 9:
Understanding suicide
- Session 8:
Walk the line
the Importance of Boundaries

- **Looking after Yourself LIVE online event: Session 10**
Red Umbrella Webinar: Burnout
Date: Friday, 15 October 2021
Time: 10:00 – 11:00
[Click here to view post-event](#)
- **Looking after Yourself LIVE online event: Session 9**
Red Umbrella Webinar: Understanding suicide
Date: Friday, 17 September 2021
Time: 10:00 – 11:00
[Click here to view post-event](#)
- **Looking after Yourself LIVE online event: Session 8**
Red Umbrella Webinar: Walk the Line – the Importance of Boundaries
Date: Friday, 20 August 2021
Time: 10:00 – 11:00
[Click here to view post-event](#)

Figure 19: Examples of targeted actions and support during COVID-19

3.5.2 Mental Health

During RIIO-ED1 we have had clear feedback from our employees on the importance of good mental health and how important it is to support this within the work environment. In response to this feedback, we established a mental health and well-being steering group. The steering group drives the promotion of good mental health and oversees initiatives and action plans to support it.

We have provided easy access to material and resources on mental health, supported by a confidential employee helpline. We also had a clear message from our employees that they wished to support their colleagues who may be suffering mental health issues and in response, we have recruited and trained 2% of our workforce as volunteer mental health first aiders.

Mental Health Awareness



Figure 20: Mental health awareness campaign

SUPPORT AT WORK

At ScottishPower we recognise that maintaining good mental health is important and take a forward thinking approach.

There are a number of ways in which you can access help through ScottishPower:



Employee Assistance Programme:
Call **0800 027 7505**
for confidential support 24 hours
a day, 7 days a week



Occupational Health: Call
0141 614 8980



Mental Health First Aiders: We have now trained a number of our staff to be Mental Health First Aiders to **provide support to staff experiencing mental health issues**, in the same way as we provide First Aid for physical health issues.

- Mental Health First Aiders are a point of contact if you, or someone you are concerned about, are experiencing a mental health issue or emotional distress.
- They are not therapists or counselors but they can give you initial support and signpost you to appropriate help, if required.
- You can find their details on the health and safety portal area.

Figure 21: Mental health support

Healthy Mind

Mental Health and the impact it can have is being acknowledged now more than ever before. Our business has a positive approach to mental health and provides a range of support services for staff. We want to give everyone the chance to learn a bit more about it, as well as dispelling some myths.

We all have mental health, just as we all have physical health. It's a normal part of everyday life, and we all have our ups and downs. How we feel can vary from good mental wellbeing to difficult feelings and emotions, sometimes even to severe mental health problems. We have developed an area designed to provide access to material and resources that will help us all better understand mental health and ways in which to access help.

3.5.3 Occupational Health

During RIIO-ED1 we delivered our structured Occupational Health Plan. The key output of this was to implement an online Occupational Health Management process, this is supported by a formal auditing strategy and occupational hygiene assessment and biomechanical monitoring.



Figure 22: Online Occupational Health Management

Our highlights from our Occupational Health Plan

- Ongoing occupational hygiene assessment and biomechanical monitoring of physical hazards using wearable technology to measure the physical impact of work
- Reviewed our skin management plan and delivered refresher awareness training
- Ensure all new products are reviewed by the Occupational Hygienist for hazard assessment and advice on control measures to mitigate risks
- Developed formal auditing strategy to ensure industrial health risks are fully integrated into the internal Health & Safety audit programme
- Delivered our Occupational Health Monitoring (OHM) plan and implemented an online OHM management process
- Provided ongoing support from Occupational Health for the workforce, including COVID-19
- Developing a risk management process to assess and manage the risk of fatigue amongst our workforce
- Continue to contribute to industry wide improvements through our involvement on Electricity Network Association (ENA) committees

3.6 Diversity and Inclusion

During RIIO-ED1 our goal was to embed a more inclusive culture. We are committed to driving diversity in the energy industry, embedding an inclusive culture, and taking action to address the deepening skills shortage in the sector. We developed our Strategy and action plan for embedding a more inclusive culture with a clear focus on three areas:

- **Engagement and awareness** - telling the D&I (diversity and inclusion) story through the eyes of our employees and customers to inspire an inclusive mindset
- **Inclusive leadership** – delivering tools and programmes that support leaders on self-awareness and understanding their role in building an inclusive culture
- **Policies and approaches** – formalising policies and approaches that build a more inclusive culture

A key success in RIIO-ED1 was the improvement in our gender diversity in key roles.

3.6.1 Changing our Gender Diversity

Changing our Gender Diversity



Our industry has historically struggled to attract women. We have worked hard during RIIO-ED1 through our action plan to increase the number of women in key STEM and senior management roles.

We have increased women in STEM roles from 20% to 30%

We have also increased women in senior management roles from 13% to 21%.

Figure 23: Gender Diversity in STEM and Senior Management

As part of both our diversity and inclusion strategy and our attraction strategy, we launched **Inclusion at ScottishPower**. This is a dedicated section of our careers site detailing our commitment to building an inclusive culture. The site covers four areas:



Figure 24: Inclusion at ScottishPower

3.6.2 Employee Led Networks

During RII0-ED1 we have created employee-led networks that represent the voices of people with diverse backgrounds and aspirations. These networks are now an integral part of our business, running awareness events and supporting initiatives to improve diversity data, reporting and policy insights and development.



Focused on ethnicity, VIBE is our newest Network - and with recent research indicating that ethnically diverse teams can out-perform by as much as 30%, having a diverse and balanced workforce at every level, including senior leadership, is a huge opportunity for us. VIBE is open to all employees within SPEN.

Figure 25: VIBE employee-led network

SPACE was created to give access to support and guidance on all aspects of being a parent or carer. The network has been established by people with a passion for helping others and is there to listen and share experiences, run events on a range of parenting and caring topics and open discussions on employee experience. SPACE is open to all; parents, carers and anyone who would like advice to help a colleague or team member.



Figure 26: SPACE employee-led network



Figure 27: IN-FUSE employee-led network

IN-FUSE was created by a group of employees to represent LGBT+ colleagues and allies alike. We now hold regular awareness events, represent ScottishPower at Pride events across the UK and contribute to policy changes that promote inclusion for all, and that also supports a change in culture to create more conversation around diversity and inclusion.

Launched in 2018, Future Connections - Our first employee network - was created as an employee-led network to bring together people from across the business with an appetite to communicate and learn about activities in other business areas



Figure 28: Future Connections employee-led network



A confident and vibrant network for our female employees. The Connected Women network provides a platform for members to meet regularly to share their experiences and ideas both internally and at external events and they are committed to growing the network further in 2019.

Figure 29: Connected Women employee-led network

iCAN aims to encourage, create, and promote authentic leadership for climate action in both the professional and personal lives of all employees. A network of dedicated people, with a passion for sharing climate action awareness and empowerment they work together as a channel for employees to feedback their views on business activities that have environmental impact.



Figure 30: iCAN employee-led network

Working with our Employee led networks, we are building a new way of working.

3.6.3 A New Way of Working

External auditing of our selection process has told us that we need to do more to explain the meaning of inclusive leadership to our managers and provide practical guidance on developing inclusive behaviours.

We introduced an Inclusive Leadership interactive workshop session for all our senior leaders helping to build awareness on inclusive behaviours that make a difference. We are delivering in-depth Inclusive Recruitment workshops to hiring managers and are training all our recruiting managers on unconscious bias. Inclusive Leadership has been built into our Behavioural Assessment Framework, which applies to all employees and clarifies inclusive development actions leaders can take.

Our new initiative to provide maternity coaching to females within our talent population who are on the maternity journey supports participants and their line managers through a blend of practical support and advice alongside career coaching to maximise their potential for future progression. We have built on this experience and as we go into 2022 we'll be delivering group maternity coaching to all our employees who are planning to go on leave, on leave or returning from leave.

We launched ScottishPower's first Trans Policy with the support of Stonewall, the Scottish Trans Alliance, and In-Fuse, our own LGBTQ employee network and have rolled out our first Trans Inclusion & Transitioning Guidelines with the support of Stonewall and our LGBT+ employee-led network, In-Fuse.

COVID-19 has enabled us to consider our approach to Net Zero through new enduring ways of working. We have enabled staff to work from home by providing the tools, technology and system access to allow them to maintain their high levels of productivity. We expect this flexible approach will improve both our retention of existing staff and our ability to attract new employees.

3.6.1 Social Programmes

As detailed in section 3.2.4, our award winning **Breaking Barriers** programme is about to enter its fifth year and supports young people with learning disabilities to access university courses and supported work placements.

Our **STEM returners** programme is also entering its fifth year. In 2021 we broadened the criteria to include candidates who have had a role in STEM which has been directly impacted by Covid19.

3.6.2 Our D&I Data and Reporting

We want everyone to feel like they belong at SPEN. As part of our commitment to becoming a more inclusive employer, we recognise the importance of gathering, measuring and reporting diversity data to identify and address barriers to the achievement of our inclusion aspirations.

To help us do this, we've started to collect information during the recruitment process about a candidate's characteristics including their age, gender, ethnicity, any disabilities they may have, sexual orientation and their religious beliefs. We've also asked all our existing employees to provide their diversity data through our self service HR system.

In time this data will help us to; report pay gaps beyond gender, monitor development and attrition trends across a range of characteristics (including ethnicity, disability and sexual orientation) and measure the effectiveness of our D&I initiatives.

Annual Gender Pay Gap Reporting

During RII0-ED1 we have made progress through our recruitment and trainee programmes on the attraction and progression of female staff in key STEM and senior management roles. Although the overall pay gap has remained broadly static, a positive movement is evident within the pay quartiles, including an increase in the female population in the lower middle and upper quartiles together with a decrease in female population in the lowest quartile.

4. RIIO-ED2 will bring new challenges

As we move into RIIO-ED2 and accelerate towards Net Zero, we will be moving into a period of unprecedented change. We will face new challenges as well as seeing a continuation of some of those we have seen in RIIO-ED1. Our workforce will need to evolve to meet the challenges of changing workload, technology, sustainability and portfolio requirements. Our existing workforce will need to become more agile and develop new skills and our workforce programmes will need to evolve to bring new people into the industry to help meet those new challenges.

4.1 Unprecedented levels of change and uncertainty

The pace and scale of change within the power industry is accelerating to unprecedented levels as we enable the transition to Net Zero. We will need to embrace new technology, new skills and more agile ways of working while still maintaining our core electrical skills to ensure the safe operation of our network. To achieve this, we must support our workforce through a digital and sustainable culture change ensuring we are not leaving people behind.

4.2 Skills shortages in emerging areas

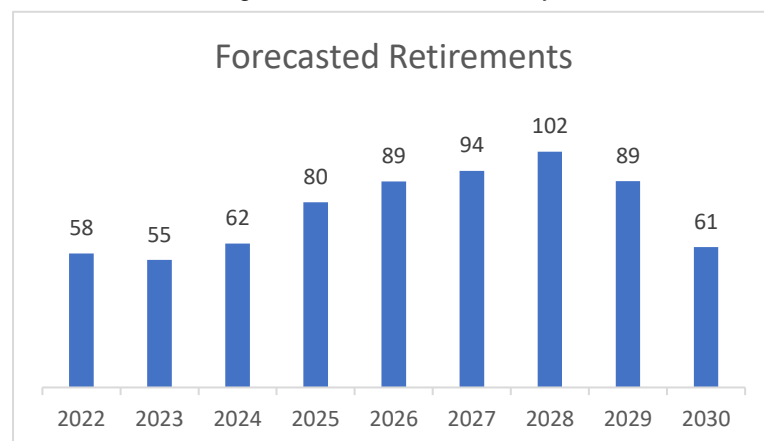
As referenced in section 2.2 and 2.4, Energy and Utility Skills Groups and Trade Unions have acknowledged the skills shortage facing our industry. This is against a challenging background of maintaining existing skills, a new net zero carbon future and the requirements for new technologies.

Energy & Utility Skills research shows that occupations where skills shortages exist in the Power sector include engineering disciplines (including commissioning, instrumentation & control, power systems, control, etc.), quantity surveyors, data scientists, cyber security, project managers and overhead lines workers. (Source: Energy & Utility Skills: Workforce Renewal and Skills Strategy 2020-2025). Reports published by Energy & Utility Skills and National Grid have indicated that between 92,000 to 117,000 vacancies will need to be filled in the UK energy industry within the next decade. Sources: Energy & Utility Skills: Workforce Renewal and Skills Strategy 2020-2025 (June 2020) and National Grid: Building the Net Zero Energy Workforce (January 2020)

We know that there is also high demand for engineering, digital and data skills from other sectors including finance and technology. We have already started this journey to build and sustain a digital-ready workforce recruiting trainees to develop and grow our own talent with cyber security graduate apprentices and data science graduates, alongside experienced engineers and technical specialists. We plan to build on these programmes during RIIO-ED2.

4.3 High levels of retirement

During RIIO-ED1 we saw increased levels of retirement due to changes in pension legislation. As a result, our average retirement age dropped to 58. Although our attrition rates remain low overall, they do contribute to the movement of staff and we anticipate with the growth in the industry and key resources becoming more scarce, we are likely to see an increase in attrition.



Based on historic performance during RIIO-ED1 and supported by line manager discussion across the business, our comprehensive resourcing review has shown that by 2030 a minimum of 690 people are forecast to leave the company due to retirement alone.

The loss of experience together with a step increase in resource required to deliver RIIO-ED2 makes our ability to attract people to the industry and our workforce pipelines even more critical.

Figure 31: Forecast retirement profile

5. Our net zero workforce strategy

At the start of RIIO-ED1, we set out to maintain a skilled and effective workforce through a strategy that incorporated growing our own talent through trainee programmes to replace high levels of staff retirement. Our goal while doing this was to re-balance our age profile to reduce the median age and address the peak of staff nearing retirement, without creating a new peak that would become a problem in 30-40 years' time.

This strategy was supported by an approach of recruiting locally and training centrally and a drive to broaden the appeal of our sector to attract new entrants. We also recognised that we needed to prepare for the changing skills need that would take place as we neared the end of RIIO-ED1 and moved into RIIO-ED2.

As we now prepare for RIIO-ED2, we have built on our previous track record and updated our strategy to reflect the challenges and opportunities we face in a period of unprecedented change in our journey to Net Zero.

Our strategy to build a Net Zero workforce sets out the guiding principles we will follow and our practical approach to enable us to develop a modern, diverse, high-quality, well-trained workforce fit for our future.

5.1 Our Strategic Principles

We will use Just transition principles to develop and grow our workforce for the future

Grow our own talent to be the modern workforce we need for our delivery plans

Inclusive recruitment from the communities we serve to build a diverse workforce

Attract new entrants into our industry through a wider range of channels and collaborative working

Safeguard the health and wellbeing of our people and support their needs as an inclusive employer

Our strategic principles guide our approach and action plans to build our net zero workforce and with input from our stakeholders have shaped and defined our five Commitments. These Commitments are underpinned by specific supporting actions and clear action plans.

5.2 Our Approach

In preparing for RIIO-ED2 we have completed a strategic skills and resources review to establish the future needs for our workforce and supply chain. We must ensure our workforce has the right number of people, with the right skills, in the right location and at the right cost. This will become our talent ecosystem.

Through a robust process of deliverability assessment, we forecasted our workforce needs to deliver our plans, identifying critical roles, new and enhanced skills requirements and changes in workload within our existing roles and supply chain. Together with our retirement and attrition forecast, we identified a significant need to bring in new resources in traditional and new roles, showing us where and when to invest in staff development and recruitment.

We will utilise five tools to deliver and maintain this talent ecosystem:

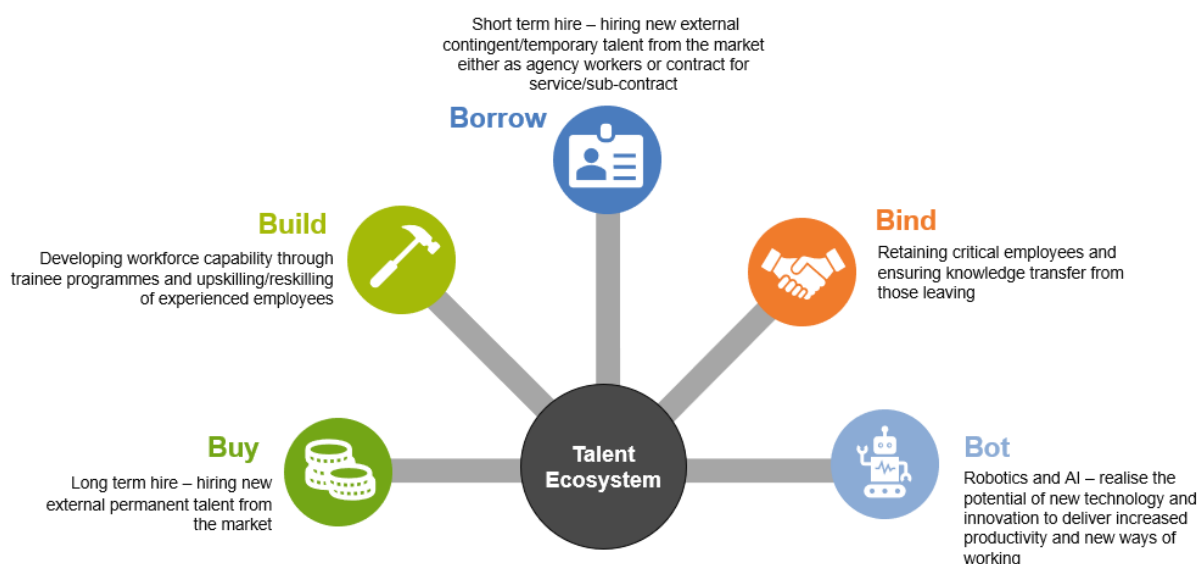


Figure 32: Talent Ecosystem

Using these five tools, we have established Action Plans in the areas of:

- Skills
- Attraction and Recruitment
- Diversity and Inclusion
- Health and Wellbeing
- Digital and Sustainability culture change

These action plans underpin our five Workforce Commitments.

5.3 RIIO-ED2 Workforce Commitments

We will grow our own talent from the communities we serve through a blended approach of multiple inclusive trainee and upskilling programmes and direct recruitment, to achieve a safe, skilled workforce. We will do this on an annual basis throughout RIIO-ED2, by filling 90% of our vacancies for our field staff and 50% for our engineering and technical workforce using our trainee programmes.

To support this commitment, we will work with our skills and academic partners on their range and content of training programmes to enable place-based recruitment of our trainees.

We will also employ Just Transition principles through our range of pre-employment and social programmes to support disadvantaged groups into the employment pipeline

We will create opportunities for our staff to develop new skills through development, upskilling and training plans aligned to our digital transition and journey to Net Zero to achieve a workforce who are motivated and confident to embrace the challenges we face. We will do this through annual internally recruited trainee programmes and annual upskilling plans for our people.

We will continue to ensure we maintain our current skills through our established training and refresher programmes alongside the upskilling driven by digital advancements and to embed sustainability into our day to day activities.

As part of the specification and design of any new system we will integrate training to ensure the successful upskilling of staff and adoption and utilisation of the system.

To support the development of our workforce we must also support our future leaders. We will support our future leaders to have personal leadership development plans, in line with our leadership journey map.

We will continue our long-standing commitment to safeguard the physical and mental health and wellbeing of our people to achieve a resilient, engaged workforce. We will engage with staff and implement actions plans from their feedback through our LOOP survey every two years and specific topic PULSE surveys and we will increase the number of our mental health first aiders to a 1:25 standard by 2024.

Through the cross DNO Working Group we will report on an annual basis about progress made, key insights and actions being taken to improve workforce satisfaction.

The physical wellbeing of our staff is supported by our occupational health and hygiene plans with a focus on continuous improvement through our annual health and hygiene improvement plan.

We will continue to develop the strong support for the mental health of our workforce through our mental health steering group and will increase the number of our mental health first aiders to meet the established standard we have for first aiders. We will report on an annual basis our actions and progress we are making to improve mental health wellbeing in the workplace.

We will continue our relentless drive to achieve a truly inclusive and diverse workforce through our improved policies, recruitment processes and by supporting and training our people leaders in D&I Legal training, inclusive recruitment and inclusive leadership by 2025. We will aspire to achieve D&I data collection rates of 60% or more for our existing workforce to support the measurement of our diversity improvements by 2025.

We will continue to enhance our inclusion policies including the introduction and communication of enhanced maternity and adoption and paternity leave by the start of RIIO-ED2 in 2023 to improve candidate attraction and employee experience. In addition, we will also offer maternity and adoption leave returners a three month phase back at 100% pay and 80% duties as a day one entitlement.

We will enhance our data capture and reporting by the end of 2024 we will transparently report on our applicants, new hires, internal promotions and attrition by diversity characteristic. By the end of 2025 we'll aspire to achieve D&I data collection rates of 60% or more for our existing workforce based on best practice and self reporting. This will enable us to track demographic trends beyond age and gender and transparently report on pay gap data.

We will conduct an external audit by 2024 of our graduate and apprentice recruitment process with a view to maximising the diversity of applicants and new hires. By the end of 2024 we will also have inclusive recruitment practices applied to all our internal and external vacancies using techniques such as gender neutral adverts, balanced shortlisting and balanced interviewing. We will support these internal changes by working with our communities to extend the reach of our recruitment advertising.

From 2023 all new training material will use gender neutral language and all in house trainers will have received training on the use of gender neutral language

We will support these changes with training and develop for our people leaders between 2022 and 2025 covering D&I legal training, inclusive recruitment workshop programme and inclusive leadership training.

We will embed a digital and sustainable culture within our workforce to support our journey to net zero. We will do this through ensuring our current and future workforce benefits from new and enhanced capabilities, providing them with necessary skills for the future through RIIO-ED2

We will deliver a digital cultural change programme during the period of RIIO-ED2 ensuring our people recognise the importance of data and digital skills.

We will expand our graduate programme and recruitment policies to focus on digital talent.

We will use digital technology such as knowledge-based AI assistants for our people and support our people in this transition by equipping them with the right digital skills.

We will ensure our sustainability culture is led by senior management and we will embed environmental responsibilities within line management roles and responsibilities to ensure environmental responsibilities and sustainability is embedded within our day to day business activities.

6. Our Plans

6.1 How we will measure our plans

All our action plans have appropriate metrics to measure our progress and delivery.

We have worked collaboratively as part of a cross-Distribution Network Operators group to develop a set of key workforce resilience metrics and a consistent format for reporting that reflect key RIIO-ED2 priorities: Workforce Satisfaction, Diversity/Inclusion and Mental health in the workplace. We have adopted the common metrics agreed through the cross DNO working group and added our own internal metrics to provide a comprehensive suite of measures for our plans.

As a result of the cross DNO working group we have committed to report annually on actions and progress in workforce satisfaction and Mental Health in the workplace and share best practice.

Through EU skills, we are also taking part in a cross industry pilot to measure workforce resilience in the areas of attraction, skills development and retention. We will continue to develop these metrics through EU skills to facilitate industry reporting and benchmarking. Through the ENA, we are also working to establish a Charter for Diversity, Equity and Inclusion, which includes a sub-group specifically focused on data.

6.2 Our Skills Plan

Our skills plan sets out the methodology we have used to identify key future skills, critical roles and skills development of our existing staff, and how this skills development will be delivered.

We have a skills strategy within our parent company that recognises the importance of six strategic skills sets and the need to recruit and develop our capacity and capability in these areas.

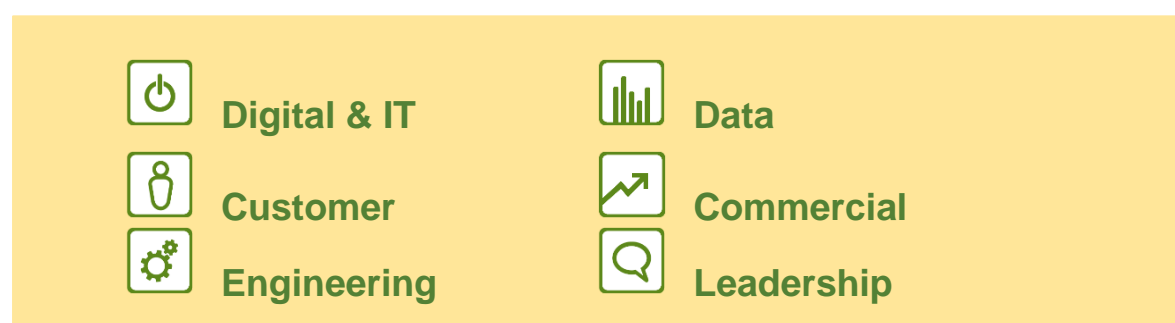


Figure 33: Strategic Skills

We have assessed our future skills need within SPEN against our Business Plan and reviewed this against the six strategic skill sets.

6.2.1 Our Future Skills

We have already taken big steps to digitalise our distribution network, and during the RIIO-ED2 timeframe we expect the network will continue to experience rapid transformation. We will require a

digital-ready workforce with the skills and capabilities needed to embrace these changes and deliver the RIIO-ED2 Business Plan.

To enable understanding of what we will require we completed a strategic workforce planning exercise to identify emerging skills and capabilities required to deliver our business plan. We have grouped these skills into five key areas and identified a number of critical roles and individual skills and capabilities. These are all emerging skill areas where we recognise the need to develop and build our capability.

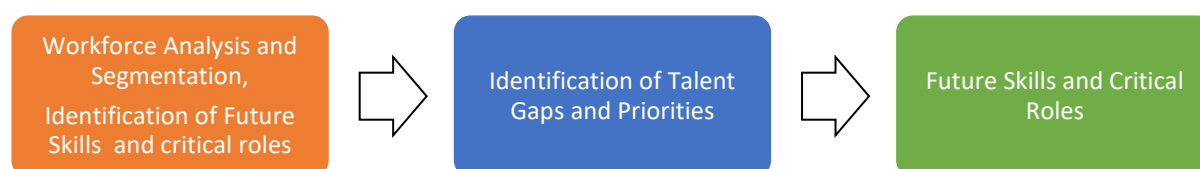


Figure 34: Methodology for Future Skills and Critical Roles identification

6.2.2 Five Future Skills Areas

Data and Digitalisation

Our data and digitalisation strategy is crucial to deliver the 4Ds of decarbonisation, digitalisation, democratisation and decentralisation and to create a modern digitalised UK energy system. We will unlock the full value of data about our network, our customers, our stakeholders and the wider energy system by using data modelling and analytics to produce digital solutions. We will implement appropriate and proportionate measures to protect our data and systems from malicious or inadvertent cyber-attacks by enhancing cyber awareness and skills.

Sustainability (environmental, social and economic)

We play a critical role in meeting the UK's ambitious climate change targets for a sustainable, Net Zero future. While we do this, we must reduce our own environmental impacts, adapt our world-class, resilient network to the effects of climate change, and continue to deliver sustainable value for all our customers.

Customer and Commercial Services

As our customers' demands change and there are increased energy usage and generation capacity from customers, a focus is required on customer service and engagement to enhance customer service levels and offer new and enhanced services. With more complex customer relationships due to increased generation capacity from our customer base, we will focus on customer account management, engagement and our service offerings. As customers will increasingly rely on electricity to heat their homes and for transport, we must enhance our focus on improving costs and efficiencies as expectations increase and service offerings broaden.

Whole System Coordination (Engineering)

Our future system strategy considers the changes to the network to enable us to cope with the increased and changing demand. We need to ensure we have the skills to meet customer requirements and network capacity in the transition to Net Zero. Key skills are required in our Network Planning and Regulation teams to create a safe, secure and flexible network. We will improve network resilience and reliability through innovation and establish new DSO functions and activities.

Telecoms and Networking

Telecoms and networking will transform as we move to a Distribution System Operation from a Distribution Network Operation. Substations will become increasingly digital, and our field staff must be equipped and upskilled to manage system substations and keep the system running for the customer. We will also focus on securing the network with cyber protection to ensure maintaining a safe, secure and resilient network.

6.2.3 Workforce Segmentation Critical Job Roles

Our workforce segmentation activity identified job roles that are critical to the delivery of the RIIO-ED2 business plan.

We considered new job roles that may not exist in our workforce today.

We will focus on employees in these critical job roles to ensure a high level of engagement and retention is achieved through analysis of skills, training needs and review of succession plans for these critical job roles.



Figure 35: Workforce Segmentation

Our analysis has identified that we will need to recruit for several new critical and specialist job roles. Of the critical job roles identified 14% are new roles.






	Telecomms and Networking Advanced Applications Specialists, RTS Specialists, SCADA Specialists, Protection Engineers, Distribution System Specialists, Telecom Engineers, Telecoms Design Managers
	Data and Digitalisation Programme Managers, Service Manager, Operations Leader, Solutions Manager, Testing Manager, Implementation Leads
	Customer Service Service Improvement and Planning Manager, Customer and Network Performance Manager, Control Support Engineer, Planning Engineers and Managers, Root Cause and Reporting Analysts, Control Room Engineers and Managers
	Future Systems Strategy Distribution Network Managers, Heads of Future Systems, Price Control, Strategy, Planning and Design, While System and Commercial Ops, Policy and Commercial, Information Security and Business Resilience, Process and Systems Managers, Engineering Section Heads, Senior Engineers, Design and Delivery Engineers, Data Science and Analysis, Flexibility and Trading,
	Sustainability Environmental (Licence) Consultants, Supply Chain Managers, Carbon Specialists

Figure 36: Critical Job Roles

6.2.4 Skills Development



Figure 37: Methodology for skills development plan

An output from our strategic workforce planning analysis is the need to develop our existing workforce. As part of our business readiness planning, we are conducting a detailed workforce skills development assessment, the output of this review will form our skills development plan.

This plan will enable us to identify skills gaps within our workforce at a critical and job role level. The plan will capture the scale of requirement and prioritise its delivery. Our plan will capture the workforce skills gap from the “as is” to the “to be” of our core business processes and ensure skills development for all our staff, talent and leadership populations. The plan will ensure we focus our efforts in delivering our skills requirements critical to delivering our Business plan. Our next stage will be to review and validate the development need, identifying where we currently have a solution and where we require to develop or work with providers to ensure we close our skills gap.

Workforce Skills Development Assessment

Our analysis has initially identified requirement for:

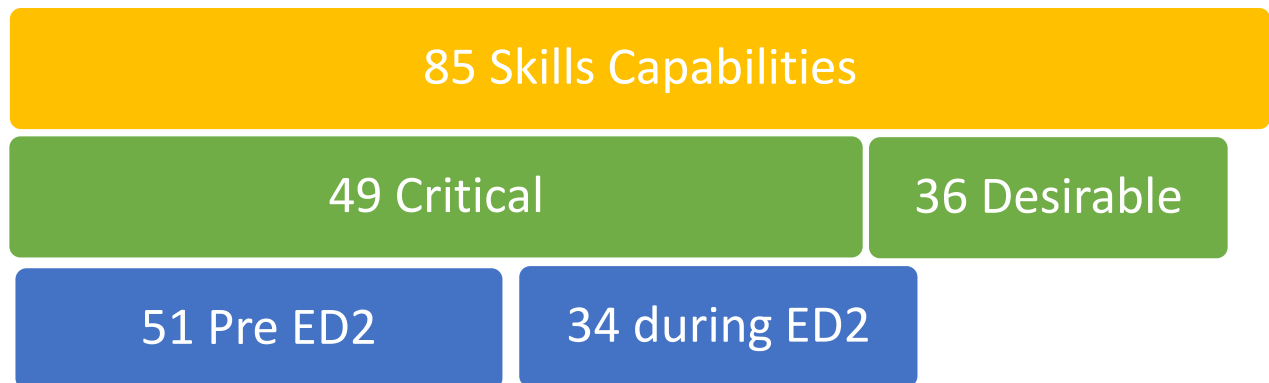


Figure 38: Skills Assessment

Data, Digital and Agile Development

To prepare our workforce in three of the non-engineering critical skill areas we are developing business readiness upskilling programmes for our workforce in Digital, Data and Agile understanding. We will continue to build our workforce skills in this area throughout ED2 focused on appropriate upskilling for all our workforce groups.

Technical and Operational Training

We are continuing to evolve and improve our approach to technical and operational training within our training centres and supporting technical colleges. This includes setting consistent standards for our trainees in the technical disciplines of electrical fitting, overhead lines and jointing and incorporating the use of digital technology.

We are reviewing our training approach for our existing workforce on domestic installations to reflect the requirements of increasing customer self-generation and EV charging.

We deliver a wide range of operational and refresher training on an ongoing basis to both trainees and our existing workforce, to ensure all our people have the required skills and knowledge to undertake their roles. We also support our supply chain in operational authorisation assessments.

Driven by changes in technology, we are reviewing and updating our training content and are exploring the evolution of our training centres to reflect the changes in our network from digitisation and the move to DSO.

6.2.5 Skills and Capability Delivery

Our approach to closing the skills gap and developing our workforce is based on the 70 / 20 / 10 Learning Model.



Figure 39: Learning Model

Full learning effectiveness comes combining:

Experiential learning (doing it the job – 70%)

Social learning (speaking with those more experienced, coaching, mentoring – 20%)

Structured learning (formal learning, attending a class / online module – 10%)

We develop our learning solutions to blend formal structured learning (10% through online or classroom) with applying the learning in social settings (20% & 70%).

The 20% social learning is where a more experienced person in role would act as a guide, and the 70%, the majority of learning, comes applying the knowledge in real life, performing the role and applying the learning in practice.

6.3 Our Attraction and Recruitment Plan

Through our robust deliverability assessment, we forecasted our workforce needs to deliver our plans. We have established that the increase in activity required to deliver our RIIO-ED2 plan would require an increase of 740 FTE based on continuing to use the RIIO-ED1 delivery model. By focusing on Core Skills, outsourcing non-core activities, improving productivity and optimising processes and digitisation this FTE increase can be reduced to 446. This number is made up of 384 to deliver our baseline plan plus a further 62 associated with Output Delivery Incentives (ODI's), subject to receiving funding approval. We have been working with our supply chain to understand the potential impact on resourcing for them. From our supply chain workshops, the feedback we have received is an anticipated increase in the resource plans of our supply chain of approximately 16%, dependent on future tender awards and confirmed programme volumes.

A summary of our additional resource requirements is given in the table below. Section 6.1 Delivering our RIIO-ED2 Business Plan and Annex 6.1 provide detail on our deliverability assessment.

SPEN Workforce (FTE)	Current	ED2 Incremental	TOTAL
Management	41	0	41
Engineering & Technical	879	95	974
Field Based	964	92	1056
Business & Administration	628	156	784
Specialist	90	41	131
Baseline Total	2602	384	2986
ODIs*		62	62
Total	2602	446	3048
<i>Full time equivalent (FTE) excluding trainees</i>			
<i>*Output delivery incentives (ODI) subject to receiving OFGEM approval for funding</i>			

Figure 40: Additional Resource requirements

This step change in our workforce levels must also be considered in parallel with the forecast loss of staff through retirement and attrition. Our forecast resource requirement for retirement to 2030 period is a minimum of 690. This is in addition to the increase in resources above. To build this pipeline we will use a blended approach of multiple diverse workforce renewal programmes and direct recruitment of skilled, experienced people.

6.3.1 Results Oriented Culture

We will continue to promote a results-oriented culture at all levels so there is a clear link between the achievement of the business plan, individual contribution, annual salary increases and annual bonus. Our Directors have objectives clearly linked to delivery of the business plan covering a range of areas including health and safety, sustainability and customer service.

Employees participate in our performance management process, the outputs of which are related to pay and the annual incentive plan. Entitlement to a bonus is also linked to achievement of objectives set at a business and personal level. The company reports annually to Ofgem in a statement in the linkages between Directors pay and standards of performance in accordance with Section 4C of the Electricity Act 1989.

6.3.2 Resourcing Strategy

To support our journey to net zero, we will focus our resourcing strategy in the following three areas: buy, build and bind.

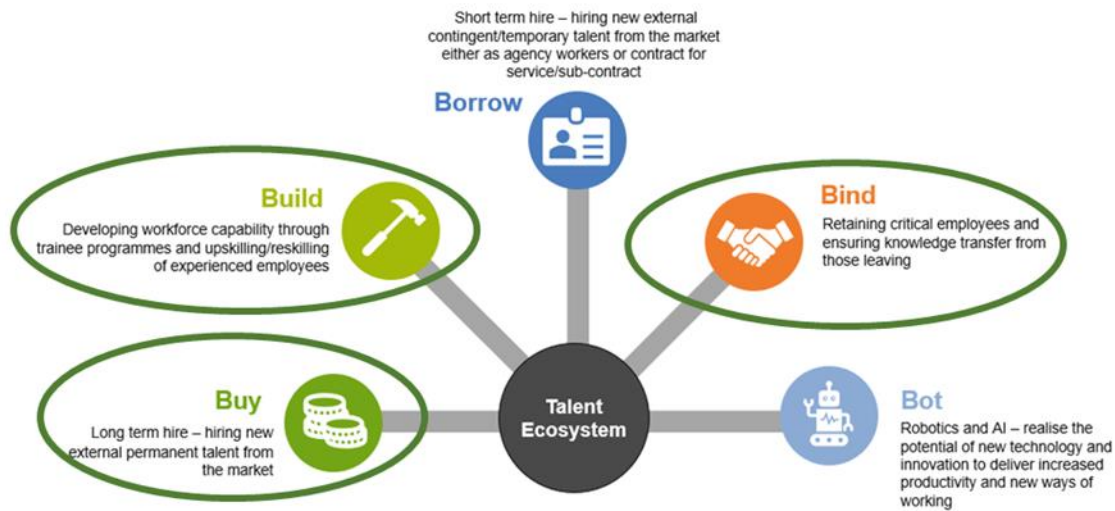


Figure 41: Solutions approach for critical roles and future capabilities

It is critical that we grow our pipeline of new talent into the industry but also ensure we attract experienced technical and digital talent to support the future skills requirements.

To ensure that we can attract the experienced technical and digital talent that we have identified in addition to our trainees we anticipate that a proactive and sustained recruitment campaign will be required. We will review our employment value proposition and define our key messages and strategies to attract and engage experienced talent who are passionate about delivering Net Zero.

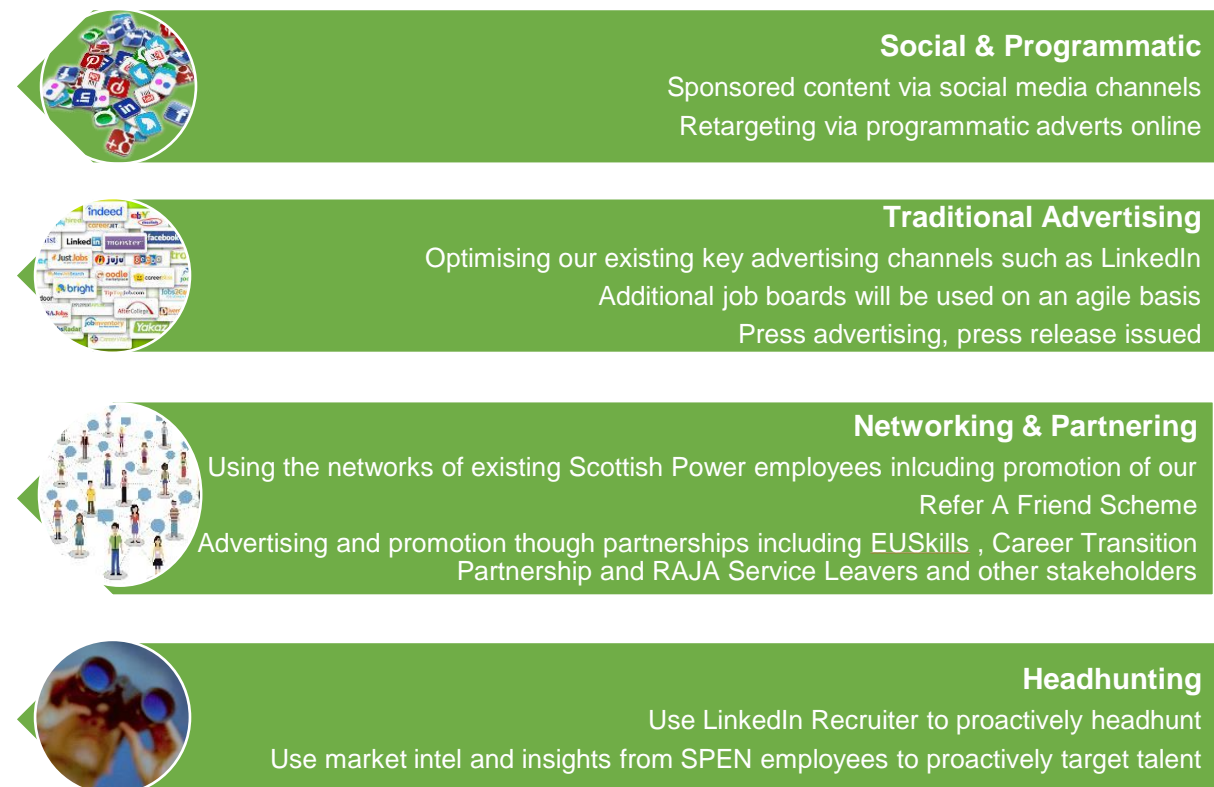


Figure 42: Attraction Approach

Solutions Plan	What do we plan to do	How we will track and measure this activity
BUY	Proactive RIIO-ED2 recruitment campaign and hiring at scale <ul style="list-style-type: none"> RIIO-ED2 “Always on” approach for critical job roles and future skills <ul style="list-style-type: none"> Regular content on future skills published on careers website and social media channels to attract talent Use external talent market data to identify and approach passive talent for critical roles Create talent pipelines/communities Promote internal opportunities within SP Energy Networks across ScottishPower and Iberdrola Group to provide visibility and transparency of opportunities and enable us to access talent across the Group 	Annual recruitment plan delivered each year until 2028
	Continue to refresh and update our employer brand <ul style="list-style-type: none"> Review our employer brand and update our narrative, messaging and content to promote our purpose and contribution to Net Zero Adapt our employer brand messaging for our six strategic skills Data, Digital, Customer, Commercial, Engineering and Leadership Collaborate with our employees to share their stories and experiences to ensure our employer brand is both authentic and diverse Promote flexible and agile ways of working (for all job roles where this can be supported) 	Identify and implement opportunities for improvement by measuring our employer brand through our Glassdoor, LinkedIn Talent Brand Index, Google Analytics
	Inclusive Recruitment approach <ul style="list-style-type: none"> Maximise available talent pools through inclusive recruitment Deliver D&I and inclusive recruitment training for our hiring managers Ensure our employer brand materials represent the diverse and inclusion organisation we strive to be Work with our stakeholders to increase the reach of our recruitment 	SP Energy Networks Hiring Managers completed I&D and inclusive recruitment training

Figure 43: Solutions Plan - Buy

Solutions Plan	What do we plan to do	How will we track and measure this activity
BUILD	Trainee Programmes <ul style="list-style-type: none"> • Increase number of trainees recruited into SP Energy Networks through multiple inclusive programmes • Diversify and evolve trainee programmes collaboratively within the industry to align to identified future skills/capabilities <ul style="list-style-type: none"> ○ Increase number of Digital, Data, Cyber Security graduates and graduate apprenticeships ○ New trainee programmes created e.g. Logistics Apprenticeship, SMART Grid Technician 	Annual trainee recruitment plan delivered each year until 2028 90% of our craft roles will be filled by trainee programmes 50% of our engineering and technical roles will be filled by trainee programmes
	Reskilling/Upskilling <ul style="list-style-type: none"> • Build new sustainable learning solutions aligned to our strategic skills/capabilities utilising our 70:20:10 delivery approach • New upskilling programmes created to include Trainee Protection Engineer and Trainee Land Officer • Completion of Training Needs Analysis and delivery of RIIO ED2 training plan 	New solutions developed during RIIO-ED2 and completion by identified employees
	<ul style="list-style-type: none"> • External skills approach aligned with identified future skills/capabilities through STEM education and pre-employment programmes 	Increase conversion rates of individuals from pre employment to permanent roles.

Figure 44: Solutions Plan - Build

Solutions Plan	What do we plan to do	How will we track and measure this activity
BIND	<ul style="list-style-type: none"> • Develop our talent approach to proactively identify, assess and develop our people and our strategic skills/capabilities: • Align our talent to critical job roles • Proactively manage talent e.g. succession planning, knowledge transfer and retention 	<ul style="list-style-type: none"> • Aim to have a talent management/succession plans in place for all critical roles.

Figure 45: Solutions Plan - Bind

6.3.3 STEM

We are growing our STEM activities to encourage young people to join the industry and introducing additional pre-employment programmes to support disadvantaged groups into employment.

New Partnerships

We are developing partnerships with Mencap, Girlguiding, Barnardo's and NSPCC to broaden our STEM activities and support disadvantaged groups



Figure 46: New STEM and Pre-employment partnerships

6.3.4 New Pre-employment and Social Programmes

To complement our existing pre-employment programmes, we are introducing the following new programmes:

Barnardo's Works – delivered in partnership with Barnardo's, this is an employability programme working with long term unemployed young people up to twenty nine years old. The participants go through a three-stage programme at their own pace, including 2-4 week's work experience during stage two.

Kick start - The UK Government Kickstart Scheme provides funding to employers to create new 6 month job placements for young people aged between sixteen and twenty four who are currently on Universal Credit and at risk of long-term unemployment.

Step up Glasgow - Glasgow Chamber of Commerce led programme exclusively for Glasgow's young people and businesses. This programme offers incentives to employers to create new job opportunities for sixteen to twenty four year olds with 100% of the wages funded. This is delivered in partnership with Glasgow City Council as part of the **Young Person's Guarantee**.

We will continue to develop our programmes as part of our Just Transition principles to support a feed into our workforce renewal programmes from disadvantaged groups.

6.3.5 Our Trainee Programmes

We are continuing to develop new trainee programmes to upskill our employees and develop trainees, creating internal talent pipelines to fill some of the new job roles we have identified that are critical to the delivery of RIIO-ED2.

Our new programmes will build on the programmes and disciplines introduced during RIIO-ED1 like Project Management, Data Analysis and Cyber Security.

New programmes already in development include:

- Real Time Systems apprenticeship
- Protection Engineer
- Power Systems Analysis
- Logistics apprenticeship.

Working through EU Skills we are also looking to develop a new programme collaboratively across the industry for a Smart Network Technician.

6.4 Our Inclusive and Diverse Workforce Plan

A core element of our attraction and retention strategy is to achieve a truly inclusive and diverse workforce to attract new entrants to our industry and to retain our workforce in an increasingly competitive market.

We are committed to human and labour rights and to eliminating Modern Slavery that could in anyway be connected to our business. In accordance with the Modern Slavery Act 2015, we publish annually our own Modern Slavery Statement. This statement sets out the steps we have taken in the last financial year towards meeting this commitment in the areas of organisational structure, business and supply chains; policies and procedures; due diligence; risk management; communication and training; measuring effectiveness.

Our Diversity and Inclusion Commitment:

We will continue our relentless drive to achieve a truly inclusive and diverse workforce through our improved policies, recruitment processes and by supporting and training our people leaders in D&I Legal training, inclusive recruitment and inclusive leadership by 2025. We will aspire to achieve D&I data collection rates of 60% or more for our existing workforce to support the measurement of our diversity improvements by 2025.

Supporting Activity

We will focus on three areas internally to drive an inclusive workplace:

Engagement & Awareness

Continuing to develop our employee led networks and utilising their insights to develop sustainable improvements

Enhancing the inclusion narrative linked to business strategy and values e.g. Inclusion at ScottishPower will be developed to include video content

Celebrating notable days on the inclusion calendar to inform and inspire an inclusive mind-set

Inclusive Leadership

Launching a new D&I online training platform that caters for leadership training together with targeted awareness on inclusive behaviours and characteristics protected under 2010 Equality Act

Continuing to deliver inclusive recruitment training to top volume recruiters

Policies & Approaches

Designing the workplace of the future informed by the change to ways of working required to mitigate COVID19

Implementing policy initiatives that further enhance our commitment to Work Life Balance across our workforce developed with the endorsement of our Parent & Carers Network (SPACE)

Diversity and Inclusion Plan	What do we plan to do	How we will track and measure what we plan to do
Inclusive Leadership	Training	Training and develop for our people leaders between 2022 and 2025 covering D&I legal training, inclusive recruitment workshop programme and inclusive leadership training.
Policies and Approaches	Reduce the gender pay gap	Gender Pay Gap: <ul style="list-style-type: none"> • Mean and median gender pay gap in hourly pay • Mean and median bonus gender pay gap • Proportion of males and females receiving a bonus payment Proportion of males and females in each pay quartile
Policies and Approaches	Increase gender, ethnicity and disability workforce diversity	Workforce demographics: All <ul style="list-style-type: none"> • Gender • Ethnicity Disability
Policies and Approaches	Increase workforce diversity in STEM-related and leadership roles	Workforce demographics: Colleagues in STEM-related roles: <ul style="list-style-type: none"> • Gender • Ethnicity
Policies and Approaches	Data	Aspire to increase % of SPEN staff where we hold some or all D&I data to 60% or more
Policies and Approaches	Data	We will transparently report on our applicants, new hires, internal promotions and attrition by diversity characteristic by the end of 2024
Policies and Approaches	Recruitment	We will conduct an external audit by 2024 of our graduate and apprentice recruitment process with a view to maximising the diversity of applicants and new hires.
Policies and Approaches	Recruitment	By the end of 2024 we will also have inclusive recruitment practices applied to all our internal and external vacancies using techniques such as gender neutral adverts, balanced shortlisting and balanced interviewing.
Policies and Approaches	Family Friendly Policies	Introduce enhanced sector leading maternity, adoption and paternity leave by the start of RIIO-ED2
Policies and Approaches	Family Friendly Policies	Introduce maternity and adoption leave returners a three month phase back at 100% pay and 80% duties as a day one entitlement by the start of RIIO-ED2
Policies and Approaches	Training	From 2023 all new training material will use gender neutral language
Policies and Approaches	Training	From 2023 all in house trainers will have received training on the use of gender neutral language

Figure 47: Diversity and Inclusion Plan

6.5 Our Health and Wellbeing Plan

Our Wellbeing Commitment

We will continue our long-standing commitment to safeguard the physical and mental health and wellbeing of our people to achieve a resilient, engaged workforce. We will engage with staff and implement actions plans from their feedback through our LOOP survey every two years and specific topic PULSE surveys and we will increase the number of our mental health first aiders to a 1:25 standard by 2024.

To support this commitment, we will focus our efforts in three areas:

- Training – increasing the number of mental health first aiders
- Education – educating staff in workplace hygiene hazards and control measures. Going beyond statutory requirements, we will promote fitness and health as a lifestyle choice
- Monitoring and Surveillance – carry out hygiene monitoring of hazards in the workplace and delivery of all our statutory health surveillance requirements through an annual programme of delivery that is measured and monitored.

Staff Feedback Action plans

We will continue to engage with our full population of staff on a biennial and agile basis and implement action plans from their feedback. We will establish annual occupational health and hygiene improvement plans based on best practices and emerging trends that will sit alongside our day to day activities, delivering greater than 95% of the actions within our agreed plans.

Health & Physical Wellbeing

The physical wellbeing of our employees is supported by our occupational health and hygiene plans with a focus on continuous improvement through our annual health and hygiene improvement plan. We strongly recognise the health in health and safety and will take measures to promote healthy living and wellbeing for our staff, guarding physical and mental health, carrying out hygiene monitoring of hazards in the workplace and involving our Occupational Hygiene team in the selection of tools and personal protective equipment and the implementation of the appropriate controls.

We will educate staff in workplace hygiene hazards and the control measures designed to reduce the potential for harm. We will focus on areas such as vibration management, noise, fatigue management and the impact of physical work from some activities on the body including the reduction of potential musculo skeletal injury.

We will use the Dorsa Vi biometric body tabs throughout our industrial teams in to assess the impact of physical work on the body. We will use studies to inform us of which tasks could lead to long term injury as a result of working habits which will enable us to identify strategies to improve working practices and reduce the overall impact of wear and tear on the body.

Mental Health

We will create a culture/environment where employees feel safe to talk about mental health and where we provide appropriate support to help staff remain well in work.

Crucially we recognise that mental wellbeing is of equal importance to physical wellbeing and we will continue to develop the strong support for the mental health of our workforce through our mental health steering group and will increase the number of our mental health first aiders to meet the established standard we have for first aiders by 2024. We will continue to screen our first aider volunteers for suitability using a screening process developed by Occupational Health.

We will continue to offer a confidential helpline that staff can use during times of need or distress and offer self and managerial referral to counselling services for both staff and their family members to support them in areas of stress, grief, debt and mental health.

We will ensure that we have inclusive policies and procedures to support mental wellbeing. with meaningful partnerships with independent mental health organisations, to ensure we have a range of mental health support provisions.

We will continue our partnership with SeeMe for ongoing third party independent expert support and using our initial See Me in Work mental health attitudes and awareness survey (2020) as our baseline we will focus on three areas: Senior Leadership Commitment, Confident and Informed Line Managers and Stigma free Culture to make sure we are at the forefront of a modern, inclusive and positive culture on mental health.

Health and Wellbeing Plan	How we will track and measure what we plan to do
Improve workforce satisfaction	We will report on an annual basis about progress made, key insights and actions being taken to improve workforce satisfaction.
Health and Physical Wellbeing	Continue throughout RIIO-ED2 to be an active participant within the ENA Fatigue Task Force Group Principal Outputs: Conduct fatigue risk assessment on all staff working additional hours Adopt fatigue risk into all accident investigations Commit to reducing extended working to no more than 16 hours per day
	Develop and consult on an Energy Networks fatigue management policy by 2023
	Develop a fatigue management risk assessment process by 2023
	Complete an employee fatigue survey to establish baseline for future action plans by 2023
	Conduct a safety culture maturity assessment identifying areas for improvement and develop actions plans by 2023
	We will plan and fulfil all our statutory health surveillance requirements through a measured annual delivery. We will go beyond statutory requirements and promote fitness and health as a lifestyle choice.
Improve employee wellbeing & support measures for mental health	We will report on an annual basis our actions and progress we are making to improve mental health wellbeing in the workplace. We will share actions, progress and best practice through the ENA
Commitment of Senior Leaders	Produce and launch a senior leadership video and include a mental health specific section within senior leadership events throughout RIIO-ED2
Confident and Informed Line Managers	Develop and deliver mental health training and a line manager Mental Health Toolkit for all line managers by 2023
	Develop and launch a mental health microsite by 2023
Stigma Free Culture	Provide tailored support and coordinate mental health priorities for specific employee led networks by 2023
	Deliver monthly open sessions with Red Umbrella covering a range of mental health topics throughout RIIO-ED2
	Undertake a review during RIIO-ED2 of the policy and procedure documents for mental health inclusivity and language

Figure 48: Health and Wellbeing Plan

6.6 Our Digital and Sustainable Culture Plan

To enable our workforce to deliver our RIIO-ED2 Business Plan and commitments will require more than upskilling or recruiting and developing the key skills. It will be a fundamental culture shift in two key areas; how we use digital technology across our network and business processes and how we embed sustainable thinking in all our activities.

Our strategy is based on our proven change management approach (Prosci ADKAR®) to deliver and embed this culture change.

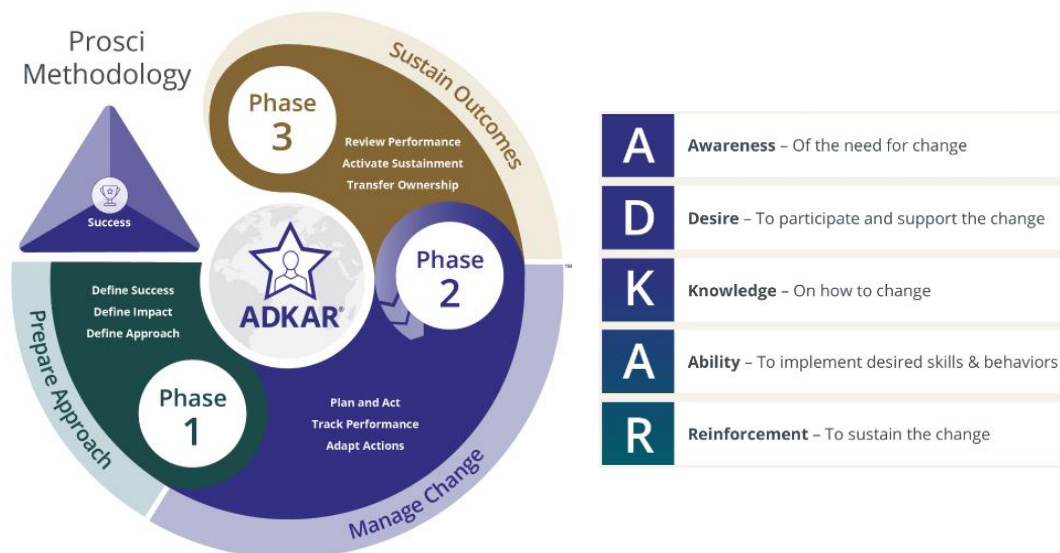


Figure 49: SPEN Prosci ADKAR® Approach to Change Management

This is supported by an implementation approach:

- Strong leadership from the senior executive team
- Dedicated change management core team supported by internal and external experts
- Communication and training plans
- Measurement and interventions

We have already established a dedicated implementation team to work with our full range of internal and external experts. This will make sure all parts of our business, corporate functions and supply chain are ready to deliver the challenges of this new regulatory contract. In addition, we will measure how well the readiness programme is working in advance of and throughout RIIO-ED2 and intervene where needed.

Full details on our Digital, Data, Sustainability and Environmental plans can be found in the following Annexes:

- Annex 4C.1: IT and Digitalisation Strategy
- Annex 4C.2: Data Strategy
- Annex 4C.3: Environmental Action Plan

Digital Culture Plan	What we plan to do	How we will track and measure
Sponsorship and Governance	Senior Leadership to promote and cascade messaging Governance through business Transformation and executive team	During RIIO-ED2
Workforce Awareness of change	Raise awareness on: <ul style="list-style-type: none"> the importance of accurate data capture What the purpose of the system is and the organisational need for it. Why it is being introduced What the impact is if not fully adopted Business and personal impact if not adopted	During RIIO-ED2
Upskilling to enhance existing skills sets	<ul style="list-style-type: none"> Mentoring Computer Literacy System Training New Digital Platform Training Combined system approach Emerging communities of Practice Continuous Improvement 	During RIIO-ED2
Training to teach new skills		
Skill gap that cannot be closed by training/upskilling	Recruitment in line with attraction and recruitment plan	During RIIO-ED2

Figure 50: Digital Culture Plan

Sustainable Culture Plan	What we plan to do	How we will track and measure
Sustainability and Environment	Senior Leadership to promote and cascade messaging Governance through business Transformation and executive team	During RIIO-ED2
Sustainability and Environment	Achieve the Bronze Carbon Literacy Training Award	During RIIO-ED2
Sustainability and Environment	Provide core sustainability and environment training	Ongoing throughout RIIO-ED2
Sustainability and Environment	Provide sustainability and environment training to all new employees	Ongoing throughout RIIO-ED2
Sustainability and Environment	Develop sustainability and environment core modules within all trainee programmes	By 2023
Sustainability and Environment	Deliver core sustainability and environment core modules to all new cohorts	Throughout RIIO-ED2
Sustainability and Environment	Develop sustainability and environment awareness through collaboration with environmental distribution licence roles	Throughout RIIO-ED2
Sustainability and Environment	Build a sustainability and environment objective into every employees' performance management goals	Each year during RIIO-ED2


Figure 51: Sustainability Culture Plan



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