



Transforming our operations

We have continued with our operational transformation to a customer-focused organisation. Our operational teams have worked tirelessly throughout the pandemic to deliver the critical services needed to support our communities and colleagues during a challenging period of uncertainty and significant change.





Our operational performance

Our customers have told us what is important to them and what they expect from us; going above and beyond to be more flexible and focused on minimising disruption. We recognise our services need to be as inclusive and accessible as possible, understanding the diversity and geographical differences in our communities.

Delivering on our commitments

Our four networks have 28 Customer Operations areas with clear accountability for meeting their own customer, regulatory, safety and financial targets and have the capability to deliver Emergency, Repair and Domestic Connection activity. The 28 Customer Operations Area Managers are undertaking a tailored training programme with customer service at its heart. They are supported by local contracts; in areas such as backfill and reinstatement support to drive increased customer satisfaction levels, improved performance and local strategies to reflect the communities we serve.

Our newly appointed Construction Management Organisations in each network are now in place to lead and support over 38 Local Delivery Partners delivering our mains replacements programme. These arrangements reflect pilot arrangements that have already been driving improvements in our delivery and the overall customer experience over the last 18 months.

Each network also controls their own Investment Planning Office and has completed a delivery plan that meets the commitments we have made in our RIIO-2 Business Plan. A significant amount of planning and preparatory work has been the focus for us this year, as we have embedded the new structures across all operations and our customer-facing teams lead with autonomy and insight to improve our customer experience commitments.

As well as developing these new arrangements and despite the impacts of COVID-19, we've continued to drive the programme to deliver against our RIIO-1 Ofgem and Health Safety Executive ('HSE') targets with delivery rates, outside of lockdown restriction periods, the highest of the prior eight years.

Further structural change has seen newly created leadership positions and teams:

- Heads of Customer Experience, lead with a responsibility for understanding current customer experience journeys and working collaboratively with operational leaders to drive change and enhance levels of satisfaction.
- Our Commercial Director, leads the teams to manage and improve supply chain relationships and drive better performance throughout our local partnerships.
- As we have made these changes to our operating model we have welcomed 600 colleagues who are now directly employed by us and who bring their talent, knowledge and experience into the business.

Providing a reliable gas supply

Last year we delivered an overall network reliability of 99.998% ensuring our customers had gas when they needed it. We operate over 131,000 km of pipeline and this can present us with a range of challenges. On the rare occasions when things do go wrong our customers expect us to respond quickly and get them back on gas promptly. This has resulted in a reduction of 15% in the number of unplanned interruptions experienced compared to the previous year. Our performance for our customers living in multi-occupancy buildings has been particularly strong with a further 25% reduction in the number of interruptions. These improvements are the result of improved and innovative techniques to keep customers on gas, supported by regular performance monitoring and the attention of our field engineers and managers.



Did you know?

Emergencies responded to within the hour

99.1%

Network reliability

99.998%



Read more in our Innovation Annual Summary 2020/21

<https://documents.cadentgas.com/view/647422605/>



Complaints handling

All networks have improved through enhanced data insights, jeopardy management, network and local ownership. Volumes are down 20% on the previous performance year.

Improving service in multi-occupancy buildings

Our work in multi-occupancy buildings was significantly impacted by COVID-19. Risk assessments meant that activities taking place inside communal areas and flats could not be carried out. Despite these constraints, we completed 8,805 surveys of our assets, and replaced or refurbished 1,044 riser pipelines. We continue to develop our customer engagement strategy and have developed Memorandums of Understanding with several boroughs and building owners to improve how we work together in the future, making life easier for all involved.

Reducing disruption

Following excellent customer and stakeholder feedback we have significantly increased the use of our CISBOT robotic technology, delivering over 28.2km (17km in 19/20) of refurbishment and expanding its use to our other networks. CISBOT contributes to a reduction in leakage on large diameter pipes, and work is carried out without interrupting supply to our customers and with no need to close busy roads.

Never leaving a customer vulnerable without gas

In order to maintain and upgrade our network and respond to gas emergencies, occasionally we have to isolate a customer's gas supply, leaving them without gas for a period of time; this is when the true impact of having no gas supply is really understood. On average customers can expect to have their gas supply interrupted once every 40 years, so it isn't something many have ever experienced.

Anyone can find themselves in a vulnerable situation when this happens and therefore, we offer an extensive suite of additional welfare options, ranging from portable heaters and showers, to meal vouchers and even temporary alternative accommodation. Our innovative approach of recognising the transient nature of customer vulnerability and supporting customers when they are off gas was recognised by Ofgem in their final determination of our business plan. We were the only Gas Distribution Network to be noted for providing a customer value proposition that goes above and beyond expectations.



In North London, by building on our relationship with Transport for London, we have agreed to join The London Infrastructure Alliance ('the Alliance'); driven by our customers' request for us to reduce disruption caused by our works. The Alliance is being created to facilitate the planning and delivery of coordinated street works and brings together The Greater London Authority, Transport for London, London boroughs and utility companies. The Alliance will develop and deliver coordinated outcomes including reduced disruption, improving co-ordination, integration, efficiency and transparency.

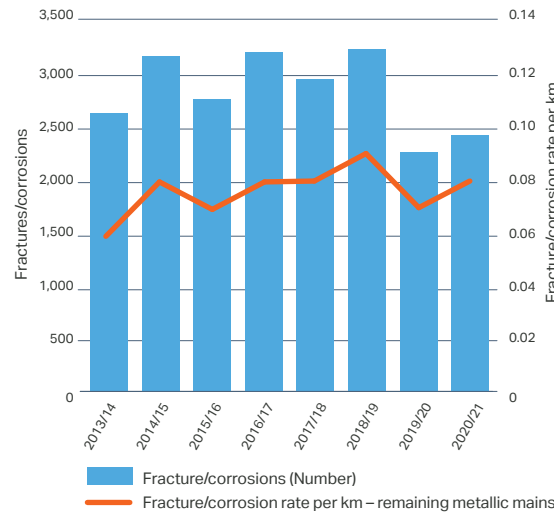
Renewing our network for the future

Our RIIO-1 investment plan was completed last year which resulted in upgrading and replacing assets throughout our networks, from high pressure above ground installations taking gas from the National Transmission System all the way through our pipeline system to the Emergency Control Valves in our customer's properties. This investment ensures we improve safety and reliability, whilst reducing operational costs.

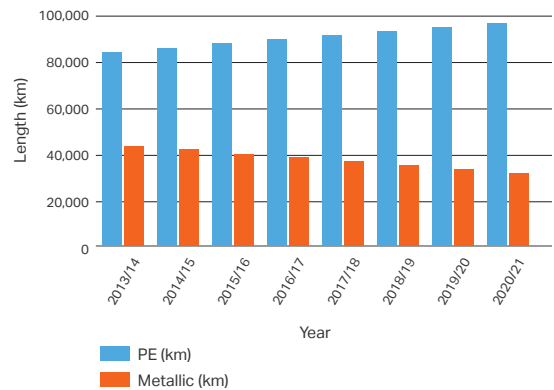
The largest element of our investment programme is the replacement of iron mains with tough modern polyethylene. Since 2012/13, we have replaced over 12,000km and had plans in place for accelerated delivery in 2020/21 to ensure we delivered our full programme by the end of the price control period. COVID-19 constrained our work and whilst we replaced the same length in 2020/21 as we had the previous year, some of our work will be completed in the future.

Several of our asset investment programmes were less impacted and we delivered the necessary work to meet our target risk reductions. Our asset investment considerations are preparing for low carbon fuels such as biogas and hydrogen to meet our net zero future.

Iron fractures/corrosion and rate



Metal and plastic mains population



Putting customer preference at the forefront of the energy transition debate

In November 2020, we undertook a comprehensive customer research study to assess customers' understanding of, and attitudes towards the UK's net zero targets and the implications for how they heat and power their homes. We believe that the energy transition will be shaped predominantly by customer preference and the decisions that they make.

Our study built upon the insights that previous work in this area had generated and has provided a much richer understanding of preferences and how these differ between different segments and demographics. The study revealed a strong preference for future home energy systems to operate in much the same way as their current systems, with minimal disruption (from time off gas or changes to their homes). It also revealed that those living in fuel poverty prioritise the ability to control the cost of heating their homes higher than the absolute cost itself, and those living in vulnerable situations often have a much higher emotional attachment to their current solutions and a lower willingness to change. It is these customers who, if the energy transition is not fully thought through, are likely to be left behind and as we undertake more research in this area, we will be focusing on how policies need to be shaped in order to mitigate this risk.



Angels in orange spread their wings at Utility Week Awards

During the virtual awards night in February 2021, we were awarded the Customer Experience award, recognising the lengths to which our engineers went to restore gas supplies quickly and safely to the small town of Wirksworth, in Derbyshire, 2019.

A water main burst in Wirksworth in October 2019, damaging a gas main which resulted in over 10,000 litres of water flooding the local gas network. 900 homes and businesses – including 215 priority service customers – lost their gas supply, which we immediately responded to by mobilising over 200 colleagues for several days to restore supplies as safely and quickly as possible.



Utilities unite as we roll out robots to deliver vital work faster in historic Whitechapel

The streets of Whitechapel have seen many famous and infamous events take place over the centuries and in December 2020, we collaborated with other utilities to ensure the historic area stays connected to safe and reliable gas and water supplies in future years. By working together, we reduced time spent working in the area by up to 28 days. Working in partnership with Thames Water to deliver the essential work, we worked in partnership with the London Borough of Tower Hamlets and Transport for London (TfL).

Our work involved using CISBOT to give an ageing 170m section of gas mains a new lease of life. The innovative robotic technology enables work to be done much faster than using traditional methods with fewer and smaller excavations. It has the additional benefit of being able to work in live gas mains, meaning gas supplies will not need to be turned off during the work. In addition to the trailblazing robots, we also used high-tech real time information boards during the initial phase of the project.

This approach allowed TfL and the London Borough of Tower Hamlets to plan essential work during this time. Cadent Area Manager Kane McLoughlin said: "It's great how everyone has come together to agree a plan which will deliver great future utility services for the local community with minimal inconvenience to local residents and commuters."



Did you know?

Mains replaced since 2012/13

12,000km

1,743km during 2020/21

Refurbishments delivered through CISBOT robotic technology

28.2km

up from 17km in 19/20