

Discretionary Reward Scheme 2012/13



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About us



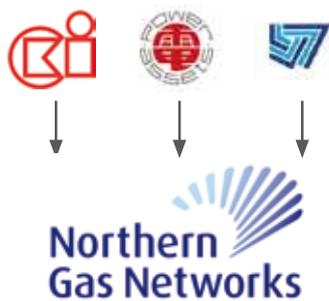
“NORTHERN GAS NETWORKS IS A BUSINESS DRIVEN NOT ONLY BY A COMMITMENT TO PROVIDE A SAFE AND RELIABLE SUPPLY OF GAS, BUT TO ADD VALUE WHEREVER POSSIBLE FOR OUR 2.6 MILLION CUSTOMERS. WE CO-CREATE PROJECTS WITH OUR STAKEHOLDERS THAT MAXIMISE SAFETY, ENVIRONMENTAL AND SOCIAL BENEFITS AND I WELCOME THIS OPPORTUNITY TO SHARE OUR APPROACH WITH YOU.”

Mark Horsley, Chief Executive

Our network in numbers

Northern Gas Networks (NGN) is responsible for the safe and efficient delivery of gas to homes and businesses in the North East, northern Cumbria and most of Yorkshire.

- 37,000km of pipeline across an area of 25,000km²
- £120m invested a year in the region's infrastructure
- 2.6 million customers
- 1,200 staff and 800 contractors



Our vision

Our primary objective is to safely, efficiently and sustainably deliver a secure supply of gas to our customers.

To be benchmarked by Ofgem and the HSE consistently in the top two comparable utilities as one of the best utilities in the UK for safety, efficiency and customer service.

Making safety personal

Safety is at the core of what we do from the gas emergency service to our cable strike reduction programme and innovative H&SE Conference – we transcend regulatory requirements to deliver more for our employees, customers and wider stakeholders.

Creating impact with a customer focused ethos

Attaining excellence in customer experience is vital to achieving our corporate vision – it is a thread that runs through everything we do and is becoming ingrained in our collective identity. From our CEO to the new apprentice, we are all actively engaged in the delivery of customer excellence programmes.

- Not only do we evaluate the ratings our own customers award us, we compare these to the ratings of other utilities and organisations outside the sector
- Our satisfaction results are made available to all employees and we encourage regular discussion around the importance of delivering excellent service. We call it 'putting yourself in the customers' shoes'
- We listen to what our customers are telling us and we tell them about the changes brought about as a direct result of their input
- Our promise to our customers is incorporated in our strategic focus and mission statement
- We have completed a major training programme to engage our workforce in taking personal responsibility for customer satisfaction and to equip them with the skill to deliver this
- We make a huge effort to review our processes to ensure we improve our customers' satisfaction



WE ARE SEEING BENEFITS NOT ONLY IN OUR DAY-TO-DAY INTERACTION WITH OUR CUSTOMERS AND OTHER STAKEHOLDERS BUT IN THE OUTPUTS OF OUR KEY ACTIVITIES ON FUEL POVERTY, SAFETY, CO AWARENESS AND ENVIRONMENT.

Environment

“AS CUSTODIANS OF ONE OF THE EARTH’S MOST PRECIOUS NATURAL RESOURCES, WE NEVER LOSE SIGHT OF OUR ENVIRONMENTAL RESPONSIBILITIES. WE ARE COMMITTED TO TAKING A SUSTAINABLE APPROACH TO OUR DAY-TO-DAY OPERATIONS AND CHAMPIONING GREEN INNOVATION.”

Karen Fisher, Head of Sustainability

Protecting and enhancing the environment

OUR FOUR POINT STRATEGIC APPROACH

Reducing business carbon footprint

- Targeting a 10% reduction in carbon emissions by 2020
- Smarter working achieved a 5% cut in gas leakage, saving nearly 23,000 tonnes of carbon in 2011/12

Reducing environmental impact

- Recycled 147,000 tonnes of aggregate

Supporting renewable energy

- Working with stakeholders to deliver innovative pilot schemes

Encouraging greener communities

- Funding 20 grass-roots sustainability projects



Cutting carbon through smart leakage reduction

Gas leakage – the release of harmful methane into the atmosphere via pipe joints – is the most profound and immediate environmental challenge faced by the gas distribution industry.

Since 2005, we have reduced leakage by more than 10%, saving 185,000 tonnes of carbon. But our fightback is far from over.

We are replacing more than 520km of old cast-iron gas mains with modern, durable plastic pipes every year – a £90m annual commitment.

We are also working more smartly to

manage the demand-related fluctuations in gas pressures which can cause leakage.

In 2011/12, we invested £400,000 in a centralised data system called NAP (Network Area Polygons) that allows us to gather pressure levels from the field in real-time. By identifying pressure spikes, our engineers can respond quickly to regulate pressure and prevent gas escapes before they occur.

We also use the real-time data to predict and monitor pressure fluctuations according to geographical area, time of year and level of customer demand.

Overall leakage cut by 5% in 2011/12

achieving a carbon reduction of

23,000 tonnes

that is the equivalent to taking more than

5,900 cars off the road for a year*

The new technology puts us on the front foot, focusing our resources and investment where it will generate the greatest impact on cutting carbon. It also benefits customers by targeting areas where our gas escape repair work is most intrusive – enabling us to take a ‘fix once and for all’ approach.

Compared to 2010/11 we have forecast a

12% reduction in leakage in Huddersfield and a **7.4%** reduction in Leeds

This delivers a combined carbon reduction of more than

1,500 tonnes

*3.8 tonnes – based on a car producing 160g/km of CO₂ and travelling 15,000 miles pa.

CASE STUDY

Focus on West Yorkshire

Impressive leakage reductions have been achieved in West Yorkshire over the past 12 months using the NAP computer modelling system.

Analysis of data from the past six years highlighted high leakage levels on local networks in Leeds and Huddersfield, with spikes in colder months. A winter trial was undertaken to actively manage 18 of the key governors which regulate pressure in the area – with regular management controls made according to weather forecast and demand.

This highly-targeted approach to pressure management is now being rolled out to other parts of the network.

Biomethane: investing in our future

“BIOMETHANE IS LAUDED AS ONE OF THE MOST IMPORTANT NEW SOURCES OF RENEWABLE ENERGY, WITH THE POTENTIAL TO FILL THE VOID AS NORTH SEA GAS RESERVES RUN DOWN. WE ARE COMMITTED TO WORKING WITH THIRD-PARTY PRODUCERS TO ENSURE THEY CAN TAP INTO OUR DISTRIBUTION NETWORK AND UNLOCK THE BENEFITS OF THIS CLEAN, GREEN ENERGY SOURCE.”

Martin Alderson, Asset Risk Management Director

Quarrington update

In our last DRS submission, we reported on our role in a proposed biomethane plant in Quarrington, near Durham. Unfortunately, a combination of third party site planning and commercial issues meant the project had to be abandoned – at least for now.

Lessons learned from this project – technical, commercial and planning, are now being applied to our existing biomethane projects, including our work with Northumbrian Water.

“We are excited to be working with Northern Gas Networks on what stands to be a groundbreaking project for the region. We hope it will pave the way for many more schemes of this type, creating green, clean energy for thousands of households.”

Charles Harman, Northumbrian Water

Partnering with Northumbrian Water

In 2011, we launched an exciting partnership with Northumbrian Water, to harness the biomethane that is given off during the treatment of sewage.

We carried out detailed studies at two of the water company’s prospective biomethane production sites – Howdon and Bran Sands sewage works – to examine the network processes involved. The plants have the potential to generate almost two tonnes of biomethane each year – enough to power 12,000 homes.

Both parties have now moved to the detailed design and costing stage. Connection work could potentially begin at Howdon in late summer 2012, with the first homes receiving biomethane in mid-summer 2013.

Potential to power

12,000

homes with biomethane

A network first that we hope to replicate across the north



Making room on the network for biomethane

One of the biggest barriers to widespread adoption of biomethane is the potential demand it places on the network distribution system.

During periods of low customer demand (e.g. summer evenings) when pressure within the pipe network is consequentially at its highest, biomethane producers risk facing restrictions on the amount of their product that can enter the system.

We are at the forefront of bringing new technology to the industry to address this

issue and are part way through a pilot that will see us realise a technologically advanced solution. We approached National Grid to partner with us in developing the pilot along with specialist consultancy CNG services. Work got under way in November 2011 to examine this critical issue in more detail.

The project is ongoing and will see an advanced compressor installed at Cavendish Street in Skipton, to increase capacity on the medium pressure gas network during periods of low customer demand – hence

enabling a constant flow of biomethane.

We have developed a simulation computer model and completed detailed design work, ahead of the installation in June 2012.

Technical notes from this groundbreaking pilot will be shared across the industry – helping to pave the way for 24-hour biomethane entry into local networks.

Our war on waste: an update

Every year we generate more than 164,000 tonnes of spoil, clock up nine million miles in work vehicles and replace more than 500km of gas mains – keeping our 2.6 million customers cooking on gas is unavoidably resource intensive.

However, we recognise that we have a responsibility to

minimise the impact of this vital work on the environment and do so by designing-out waste wherever we can, incorporating it into our day-to-day activity.

We have a number of ongoing ‘war on waste’ schemes which have achieved superb results in 2011/12.

Sharing technology to make roadworks greener

Use of our groundbreaking, recycled aggregate product for roadworks called cement bound excavated material (CBEM), has soared in the past 12 months.

The first product of its kind to be approved by the Highways Authority and Utilities Committee (HAUC) for use in highways, it is now in widespread use by our engineers and contractors – dramatically reducing our dependence on virgin materials.

Yorkshire Water began using the product in 2011, and we are now liaising with a number of other utility companies about its adoption as well as sharing the benefits of the data we have collected. A burgeoning regional market is developing – preventing thousands of tonnes of spoil from going to landfill.

We generated

164,000

tonnes of spoil in 2011

and recycled

147,000

tonnes of this total.

CBEM is now in use by Yorkshire Water,

with other utilities expected to follow

Our drivers are miles greener



“At first I felt like a Sunday driver! It has definitely changed my behaviour and fuel consumption.”

**Employee
Julian Savage**

In 2010, we launched a pilot scheme to encourage our fleet of van drivers to think green behind the wheel. Employees get real-time data on their driving behaviour, using a dashboard-mounted LED screen.

In the past 12 months, the scheme has been expanded, with 99 vehicles now using the technology and we are encouraged by the scheme’s ability to not only save fuel but cut carbon emissions in the process. Thanks to the project, employees have also become more aware of how they are driving, reducing accidents by 40%.

Over a year
we stand to
reduce our fuel
consumption
by 11%

– a carbon
reduction
of 406
tonnes

More green gems

GAS DETECTORS GO GREEN We recently launched a trial of Gascoseekers (handheld gas detectors) which use rechargeable batteries. More than 2,200 traditional batteries have been saved in just three months. The new kit is proving more reliable, as well as more resource efficient.

GREEN PROCUREMENT We are currently finalising a new green procurement policy, designed to ensure that purchasing decisions maximise energy efficiency and minimise adverse societal and environmental impact.

IT IMPROVEMENTS We have completed a laptop and desktop replacement programme delivering an 80% energy reduction. All damaged or end-of-life computers will be recycled and ‘virtual’ servers will halve energy consumption.

PLAIN ENGLISH HS&E We have built and launched an online manual that pulls together all documentation on systems and process required for ISO 14001 and OHSAS 18001 certification – providing a one-stop shop for HS&E related issues.

NEW BRIEF We have changed our approach to briefing the business on core HS&E messages. We now produce a compact, engaging and practical printed document called 24/7. Managers use the document to drive engagement on environmental issues.

ISO 14001 2011 saw us expand the scope of our ISO 14001 certification to cover new asset management responsibilities from methane leakage to office recycling.

SUSTAINABILITY ROADMAP Work is under way on a new policy and strategy that will define our environmental, social and economic activity. We will engage with stakeholders in utilities and other sectors to inform best practice.

Laying down strong community roots

“WE NEVER FORGET THAT OUR WORK IS NOT JUST ABOUT PIPES AND ENGINEERING – IT’S ALSO ABOUT LOCAL COMMUNITIES.”

Gwen Allen, Head of Communications



Northern Green Networks

For the past four years, we have run an environmentally-themed grants programme, Northern Green Networks, that enables community and voluntary groups to bid for funding for their own green-themed projects.

These grass-roots initiatives are often delivered in areas where our engineers are working on long-running or disruptive mains replacement schemes. They help to improve relations with residents during the capital work, as well as delivering a lasting legacy. We aim to further enhance this programme through employee volunteering.

In 2011/12, we awarded 20 grants, to a total value of £50,000

Tees Valley Wildlife Trust

Turned a stretch of rich and rugged coastline in Loftus into a nature reserve – putting it on the map as a destination for education and public enjoyment.

Warley Community Association

Allowed residents in the scenic West Yorkshire village of Warley to realise their dream of a green community trail, complete with planting, outdoor furniture, bird boxes and interpretation boards.

“We can now realise our plans to turn the site into an urban allotment that will allow the students to get growing.”

Rebecca Garbutt,
Community Coordinator,
Carr Manor High School



“This funding boost will help us gradually restore Bradford’s green coverage, tree by tree, and hedgerow by hedgerow.”

Ian Butterfield,
Bradford Environmental
Action Trust



A glimpse of the future

We are already planning some ambitious environmental initiatives for the next regulatory period. Our focus during RIIO-GD1 will include:

- Alternative fuel sources for operational vehicles
- Turbo-expander energy generation: using the heat energy currently lost during pressure reductions to generate electricity
- Biomethane and non-conventional gas injection: a continuation of our current work
- Alternative use of gas networks: a longer term project to evaluate how the gas network can be used in future energy scenarios, such as localised gas grids and carbon capture

Fuel poverty



“THROUGH A UNIQUE PARTNERSHIP WITH COMMUNITY ENERGY SOLUTIONS (CES) WE CREATE A MULTIPLIER EFFECT FOR OUR CUSTOMERS, MAKING EVERY PENNY WE INVEST WORK HARDER, RETURNING IMMENSE VALUE AND ADDITIONAL BENEFITS FOR OUR MOST VULNERABLE CUSTOMERS.”

Barry Watson, Customer Connections Manager

CUSTOMER BENEFITS DELIVERED

- Our network extension projects have created a potential annual energy cost saving of £1.8m for fuel poor customers
- More than £500k of benefits unlocked for vulnerable customers by our benefits advisors
- 430 customers received more than £495 worth of in-house improvements through the hardship fund
- Data analysis identified urgent projects for park home sites and high-rise buildings
- In-house works that generate a 27 point SAP improvement cutting four tonnes of carbon per year, per household

	2009/10	2010/11	2011/12*	2012/13 (Forecast)	Total	
Total Connections	719	781	1567	1789	4856	*Pre-validation forecast

Tackling fuel poverty

Our region has one of the highest levels of fuel poverty in England* – around 24% (660k)** of all households. Although we cannot single-handedly solve the issue, we are ambitious.

By partnering with others, we deliver projects that multiply the benefits of our investment for our customers.

*DECC Annual Report on Fuel Poverty Statistics 2011

**Energy Audit Company, 2010



Northern Gas Networks CEO Mark Horsley with Lynne Edwards, CES, and customers Celia and Donald Leicester.

Whole-house solutions

Northern Gas Networks has been working with CES on network extension projects since 2009. This partnership creates a multiplier effect for our customers, that sees CES matching our £1.9m annual investment in network extensions with in-house projects by social landlords and local authorities to further improve

energy efficiency and sustainability. In addition, where extending the gas network isn't feasible on our projects, CES actively explores alternative means of reducing fuel poverty through improvements to insulation, alternative heating, and benefit checks to help ensure household income is maximised for individual customers.

INSIGHT

WHAT IS CES?

CES is a community interest company, delivering affordable warmth by switching households to low cost, low carbon whole-house solutions. They are industry leaders in renewable heat technologies and have installed more than 1,000 heat pumps in off-gas communities.

Unlocking £500k of benefits

WE INVEST £50K ANNUALLY IN TWO BENEFITS ADVISORS BASED AT CES. THEY UNLOCKED NEARLY £500K OF SUPPORT FOR OUR MOST VULNERABLE CUSTOMERS LAST YEAR.



For customers in absolute poverty, a free gas connection, heating system and insulation is often not enough but our benefits health check can make all the difference. By combining affordable warmth with a boost to household income, we offer a life-changing package.

Real-life benefits

- Mr and Mrs Watson, Stockton. Attendance Allowance, Pension Credit, Carers Allowance and a Special Disability premium – £8,564 a year
- Mr and Mrs Ward, Stockton. Attendance Allowance, extra Council Tax Benefit, and Pension Credit – £7,540 a year
- Mr and Mrs Foley Scott, Durham. Disability Living Allowance, High Mobility and High Care – £6,500 a year plus a backdated payment of £875

Working with GoWarm

To identify and target clusters of fuel poverty in off-gas areas and find potential one-off connections, we partner with CES and its GoWarm programme.

KEY BENEFITS

- Fuel poor customers are identified and their needs assessed during door-to-door assessments carried out by trained advisors
- Data is pooled across all GoWarm assessments for a variety of agencies to assist in 'matching-up' organisations' funding streams – taking a whole-house approach
- We work with CES to analyse data collected during doorstep surveys to further enhance the strategic direction of our fuel poor activity
- Typical measures installed along with gas connections include
 - Insulation
 - Gas central heating
 - Energy advice
 - Income maximisation

The hardship fund

To maximise our support for difficult to reach customers we have transformed our fuel poor heating grant into a hardship fund. CES combines our investment, through its relationships with the big six energy providers, in this instance providing £90k CERT (Carbon Emissions Reduction Target) funding, to assist families hardest hit by fuel poverty, with improved insulation.

Last year, this provided an average of **£495** worth of benefit to more than **430** families in creating warmer, more energy efficient homes with lower fuel bills, and reducing the risk of health problems associated with damp. These measures saved 107 tonnes of carbon emissions per year.

We believe that such energy efficiency measures are a vital part of providing affordable warmth and carbon reduction and are actively looking for ways to build on this programme in partnership with our stakeholders next year.



"We have brought our extensive experience of community engagement and home assessments to bear in our work with NGN, to help identify projects that combine network extensions with in-house works to create real impact for those in fuel poverty."

Lee Cattermole, CES

Hardship Fund

Fund	£50,000	NGN
Families helped	431	Insulation measures
Energy efficiency measures	505	Discretionary payments
CERT funding	£140,000	
Result	£116	NGN payment
	£495	Combined benefits
Environmental saving	107t	Carbon emissions

Anatomy of an NGN/CES project



- CES engages with social housing providers to identify and develop feasible projects to the point of commission
- All households in the project area are offered a free gas connection as well as assistance to upgrade heating systems, improve insulation levels and a benefits health check
- CES seeks additional funding to enable both social landlords and private households to access this assistance for free or at the lowest cost possible
- CES simplifies the customer experience by linking funding to create whole-house solutions and has a framework of reputable installers
- A public engagement phase pre-empts the work and is delivered with the support of local stakeholders at the start of each project - offering face-to-face contact
- NGN begins laying the new gas mains working alongside other agencies delivering 'in-house' upgrades

Evaluating impact

Post-event evaluations on whole-house projects establish SAP (Standard Assessment Procedure) improvements and carbon reduction.

The average home is improved by

27 SAP points

– a reduction of

4 tonnes of carbon per year per household.

That's equivalent to taking a car off the road for a year* or, in weight terms, it's an average sized elephant



High-rise buildings

WE ARE THE FIRST DISTRIBUTOR TO COLLABORATE WITH AN ELECTRICITY NETWORK TO IDENTIFY RENEWABLE HEATING SOLUTIONS FOR MULTISTOREY BUILDINGS (MSB).

By analysing the data collected for us in 2010 by the Energy Audit Company (EAC), we identified around 26 MSBs that score highly on the indices for multiple deprivation, many of which have poor heating and bad ventilation. Gas systems are too high risk for MSBs and electrical ones strain the network. In partnership with local electricity networks we are developing efficient solutions with on-site renewable generation to take to social landlords.

FEASIBILITY STUDY

- Technical solutions and requirements
- Expected duration and cost of installation
- Maintenance requirements, including costs and life cycle implications
- Identification of external funding opportunities
- CO² carbon emissions and reductions from current system
- Cost implications for domestic/customer fuel bills

We have plans in place to work with stakeholders including end-users, Leeds City Council and the city's social landlords to co-develop a proposed model and solution that reflects and supports all interests.

*3.8 tonnes (based on a car producing 160g/km of CO² and travelling 15,000 miles pa).

Customer service referrals

We have incorporated a fuel poor referral service into our new connections procedure. This ensures all potential customers are identified and passed to CES for detailed assessment.

Key staff have completed a fuel poor training course, learning about the issue, how to engage with callers to assess needs and refer them with confidence.



Park home sites

Inspired by SGN's project, we used the EAC data to identify and target similar opportunities on our network. CES has evaluated the suitability of the park homes sites identified and we are working on proposals for our first project.

Fuel switch rebate service

We transferred our fuel switching rebate programme from EAGA to CES in April 2011. The service simplifies switching for the customer as well as offering a rebate incentive and contribution to our fuel poverty fund.

More than
400
claims since
2011

£63,000
paid to customers
and
£78,000
injected
into the fund

Partner power



Our support of CES goes beyond network extensions: it provides CES with a foundation upon which to build community projects where gas is not an option. This unique aspect of our partnership is currently paying dividends for those in fuel poverty on the largest private sector scheme being delivered in the UK. CES has joined forces with Eggborough Power Station and Stockton-on-Tees Council to target more than 1,000 hard to reach homes in deprived communities with whole house energy efficiency measures. The improvements will be worth over £7m and will not only increase the efficiency of old housing stock and provide affordable warmth – it will visually transform this designated regeneration area with external wall insulation. The benefit advisors we fund are already active among the community and we hope that they too will leave a lasting impression on the neighbourhood.

Commercial sense – working with UK Coal

We are working with UK Coal to bring mains gas to the rural village of Sunnyside, County Durham, as part of its licence conditions for nearby mineral extraction. We will provide free connections for fuel poor customers as well as in-house improvements through CES.

We will use this project as a calling-card with other commercial organisations to extend the reach of our activity to benefit even more hard to reach customers.



Safety



“THROUGH INNOVATIVE PROGRAMMES WE ARE PUTTING SAFETY AT THE CORE OF ALL OUR ACTIVITY – FROM REINVIGORATING STAKEHOLDER ENGAGEMENT ON CO TO ‘MAKING SAFETY PERSONAL’ ACROSS OUR BUSINESS.”

Dave Hutchison, Head of Health, Safety and Environment

Developing our safety culture

OUR ACTIVITY

- Listening to our stakeholders and responding to their needs, creating CO awareness campaigns for high risk groups
- Taking the data and equipment from our Gascoseeker pilot and proactively sharing it with other agencies
- Embedding culture change and a sense of personal responsibility through the continuation of our It's Your Call programme
- Stimulating innovative, employee-led approaches to combating metal theft, reducing cable strikes and raising awareness of CO

OUR HS&E PERFORMANCE

- OHSAS 18001 Occupational Health and Safety and ISO 14001 Environment
- Injuries to members of the public cut from 24 (2008) to just one (2011)
- Lost time injuries (LTIs) cut to four (2011) from 17 (2005)
- Zero MOPs and LTIs to date in 2012

Measuring the impact of CO on our customers

During 2011 we engaged with our stakeholders on a range of issues: when it came to CO it was clear they thought we should be doing more.

They wanted us to check for CO on gas escapes, in response we developed new equipment capable of doing this and completed a pilot this winter.

Now we are taking data from the pilot and sharing it with the industry and wider stakeholders. The project also creates an opportunity to educate customers and has the potential to avert CO health issues and even fatalities. This represents a step change in our approach to CO awareness – we are now proactive, providing vital advice to affected customers right on the doorstep.

- Working with the manufacturer to showcase the innovation
- Sharing the data from our trial with other networks and key stakeholders
- Collecting follow-up data on customer knowledge where CO was detected
- Sharing data with medical bodies to enhance their understanding of the issues
- Showcasing the innovation through IGEM awards and to regional IGEM members

If the industry adopted the COMO Gascoseeker we could identify and stop around **4,000** incidents of CO in homes across the UK every year

CO awareness

- ✓ Contracting partners now deliver Play Safe, Stay Safe, our in-school safety programme, as part of their work on our behalf
- ✓ Continued PR activity to spread key safety messages
- ✓ Exploring linking employee volunteering to Northern Green Networks grant scheme
- ✓ Continued support of Kirklees Carbon Monoxide Awareness Group
- ✓ Distribution of CO information leaflets to fire service, councils and universities

**TRIED
TESTED
AND CONTINUED**



CO awareness – a new approach



Film still from the initial campaign research.

Risk of a CO fatality among over 70s is five times that of other age groups.*

*Gas Safe Trust, Trends Report 1996-2010.

Over 70s Ambassador Programme

Informed by focus groups with the over 70s, we have devised a new programme to be delivered later this year. First Call Operatives (FCOs) are being trained to act as CO Ambassadors to the over 70s, providing bespoke one-to-one advice on CO as part of our gas emergency response service.

We are working with education specialists on the programme and the production of new printed materials aimed specifically at this age group. We will also test the impact of leaving a coded voucher with the customer for a discounted CO alarm.

When the pilot is complete we plan to proactively share it as a complete, tried-and-tested package with other networks, social landlords, councils and charities.

iCop – smartphone app

In partnership with key stakeholders we will launch a smartphone app in September 2012 aimed primarily at 18 to 24-year-olds living in rented accommodation. The app, called iCop, weaves CO safety messages into an engaging game format. The concept was developed with young people at two regional universities during interactive focus groups. The insight from these sessions formed the foundation of an extensive research and development phase informing

the content, style and direction of the app.

iCop is designed to empower young people to protect themselves against CO; it focuses on the symptoms of CO and clearly defines the actions they need to take to avoid being a victim. The campaign is measurable and designed to show engagement through a change in behaviour.



Film still from campaign R&D.

The app allows students to:

- ✓ Download **0800 111 999** to their mobile contacts book
- ✓ Purchase a discounted CO alarm
- ✓ Join us on social media to help spread the message

A national resource to raise awareness of CO

We want our CO awareness activity to reach the widest possible audience and go beyond the confines of our network. We believe that an app enables us to do this: it has the edge over traditional forms of communication – especially for the target audience. In addition, we are making iCop free to download from all mobile app stores and free of any NGN branding to further enhance its appeal to the age group.

Choosing not to put any corporate branding on iCop has another benefit – it allows us to approach other organisations for support in marketing and promoting it for the common good. We are proactively seeking partners among the other networks, pressure groups and charities to cross-promote its launch. By taking this approach we hope to gain maximum exposure for the CO safety message.



iCOP Project Timeline 2011-2012



December-February
R&D

February-April
Build and test phase

May-July
Soft launch with stakeholders

September
Advertising and media launch

October
Quantitative and qualitative analysis

Update on 'It's your call'

It's Your Call is a rolling programme of safety-focused activity in place since 2009 that delivers a commitment to go above and beyond to engage with our employees and stakeholders in making measurable safety improvements.

FOCUS – It's Your Call hotline

The 'hotline' and internal communications campaign element of It's Your Call goes from strength to strength and continues to engage our employees in a war on unsafe sites. We respond to hotline tip-offs promptly – helping prevent injuries to members of the public.

During January and February 2012

when temperatures plummeted and gas escapes soared, we rectified safety issues at more than 100 sites as a direct result of It's Your Call. The campaign continues to play a vital role in keeping our customers safe, a statement that is borne out by our continued, impressive safety performance.



Injuries to members of the public



UPDATE

- ✓ Our in-school safety programme 'Play Safe' is now being delivered by all contracting partners on projects that are close to schools
- ✓ Employee volunteering programme to deliver Crucial Crew events reaching thousands of young people every year with vital safety information
- ✓ Continued PR activity to spread key safety messages
- ✓ Internal comms campaign to galvanise workforce in war on unsafe streetworks



Reducing the risk of metal theft

We have seen an alarming increase in thieves ripping external copper service pipes off customers' walls causing uncontrolled gas escapes and putting lives at risk. We have taken action against this by using our innovative 17.5mm PE pipe kit to replace exposed metal service pipes. Over the last year we have replaced more than 1,000 services using this new pipe, an average of 82 a month, improving public safety by cutting the risk to our customers of being targeted by metal thieves.

More than **1,000** services replaced using this new pipe.

We are now working with the manufacturer to share this innovation with other networks and industry professionals through IGEN and the Energy Networks Association.

Gas pipe thieves are condemned

Criminals accused of foolhardiness for leaving gas spewing from ruptured pipe

by James Rush T&A Reporter

Reckless thieves have been condemned for stealing gas pipework for its scrap value, leaving householders' lives in danger from leaks.

which provides gas or electric can potentially be life threatening."

Mrs Milne said she had asked for any remaining pipes to be run on the inside of the house to prevent further incidents.

A spokesman for housing

Targeting cable strikes

One of the greatest risks to our vision of ensuring that no one goes home injured is damage to electrical cables. The consequences are far reaching – not only for the company and employee but for their family, causing a ripple effect.

Our focus on cable strikes was stimulated when improved reporting

in 2010 enabled us to reveal trends and underlying behaviours contributing to cable strikes on our network. We used the data to identify areas for improvement and in 2011, put a programme in place aimed at creating a culture change and a shift in attitudes towards prevention.

Our approach to reducing this issue across the network has full boardroom buy-in and CEO support to ensure that we maintain focus in delivering the action plan.

The results of our programme are encouraging and shared proactively across our workforce to ensure that we all know where we stand.

Cable strike action plan

- ✓ Detection and location training programmes
- ✓ Promotion of safe digging techniques
- ✓ Commitment from the top – weekly meetings to review incidents and cement lessons learned, attended by contractors and union safety reps and chaired by the CEO
- ✓ Benchmarking and shared learning with ENA, Gas Transporters Review Panel and electricity companies

**NEW
FOR 2011/12**



Making safety 24/7



In 2011 we developed and launched a new internal publication called 24/7 to re-energise the way in which we communicate with our workforce on HS&E matters.

The new document gives HS&E a strong voice and a new identity and is delivered as part of face-to-face team briefings with all staff alongside our corporate magazine *Network News*, ensuring that the content is talked about and taken on-board.

24/7 helps us to maintain our focus on making safety personal by bringing together everything from policy updates to providing healthy eating advice and tips on recycling.

Making safety personal – HS&E Conference 2012

We kick started our year and mission to make safety personal with a conference on behavioural safety and invited delegates from across our workforce, contracting partners and industry bodies to attend. In what was a first for our network, the conference galvanised our new approach to safety in a creative and engaging way – this was a conference with a difference.

Having already undergone a rigorous review of site procedures and working

practices in the preceding two years, we saw tackling behavioural safety as the next logical step. To improve our performance still further, the focus is on the individual.

The event brought speakers from diverse organisations together to share knowledge and best practice on behavioural safety, ranging from lessons learnt by the Olympic Bid Authority to a hard-hitting piece of drama on the impact of a cable strike performed live on stage.

A health and safety 'village'

Delegates were able to explore a series of stalls that complemented the conference's theme. These included a hard-hitting installation featuring gruesome photos and a mannequin showing the impact of a cable strike on the human body.

Sharing the knowledge

The conference was captured on video so that it can be made available to all employees via the intranet. A separate video of the drama piece 'Gail's Shoes' is being shared across the company and with other utilities.

"If we share all best practices with our competitors we will get much better H&S results."

Jeff Oliver, Balfour Beatty

"Thoroughly enjoyable, nice that representatives from all departments involved, not just preaching to the converted."

Diane Somerville, Northumbrian Water



Environment

- 23,000 tonnes of carbon saved by cutting leakage by 5% in 2011/12 – equivalent to taking 5,900 cars off the road for a year
- Partnership project with Northumbrian Water that stands to power 12,000 homes with biomethane
- 147,000 tonnes of spoil recycled from our roadworks using recycled aggregate product CBEM

Fuel poverty

- £50k investment in benefits advisors that has unlocked £500k of support for our most vulnerable customers
- A hardship fund benefiting more than 430 families with an average of £495 worth of in-house benefits saving 107 tonnes of carbon a year
- Innovative project with local electricity network to provide renewable heating solutions for multistorey buildings

Safety

- Cutting cable strikes down to size with a safety campaign and action plan that includes: training, a conference, video resources and internal communications campaigns
- CO Awareness – creating the first app by a gas network and making it a nationally available, shared resource – promoted in partnership with stakeholders
- Sharing the outputs of our COMO Gascoseeker trial with the wider industry – as an industry standard it could identify and stop 4,000 incidents of CO in customers' homes a year

