



2015-16
STAKEHOLDER
ENGAGEMENT
AND CONSUMER
VULNERABILITY

PART

1



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LISTENING TO OUR STAKEHOLDERS IS IMPORTANT FOR US. WE HAVE A ROBUST PROCESS FOR ENSURING WE ENGAGE COMPREHENSIVELY, LISTEN THOROUGHLY, RESPOND WHERE POSSIBLE AND FEEDBACK PROPERLY

INTRODUCTION

There is no question in my mind that our stakeholder engagement programme has grown in both scale and significance over the last few years. It covers a broader range of issues in more depth and its impact is felt right across our company.

Simply put, I think we have become more skilled at engaging meaningfully to the point where it has become one of the primary drivers for identifying and implementing improvements in our business.

For example, it influenced a restructure that aligned our operations more closely to the communities we serve and our nine regional managers now lead our engagement with the stakeholders in their respective local areas. Internally, we have markedly improved the visibility of our programme to our executive team and the Board, providing regular updates that crisply brief them on how we've engaged, with whom, what our stakeholders have said we should do – enabling our directors to provide feedback on the programme.

We've refreshed our stakeholder strategy to make sure it develops along with our programme so it can serve as a checkpoint for us as we pursue best practice. Our consumer vulnerability strategy pulls together everything we are doing to support this group and helps us to set direction by capturing our vision for the future. We continue to exercise the discipline of annual reassessment against the AA1000 Stakeholder Engagement standard; I'm pleased to report that for the fourth successive year we've been accredited.

Because we engage with a wide range of stakeholders, we tailor our approach – how we communicate with them and where we engage. We want to make sure it is as easy as possible for our stakeholders to meet with us, discuss their concerns and interests and see how we can help.

A number of consultations with focus groups with the voluntary sector in the north east, older people in York and community energy across our area have helped us to understand the impact of our services in more depth. In turn that has shaped our thinking about those services

As well as our own in-house efforts by attending events organised by other organisations from Lincolnshire to South Shields, Sowerby Bridge to Wolsingham. This is not only cost effective for us but it also is good for delegates who can then use a single session to discuss multiple points of interest.

We use social media as an engagement tool as well as an information tool – the Q&A on our apprentice programme attracted retweets that reached thousands who otherwise would not have heard of it.

To take just three examples of how this led to changes in how we operate, we produced a tailored flood leaflet for those hit hardest by the winter storms; we made sure that everyone could receive a priority services welcome pack and introduced tear-off slips in them so they could be passed onto friends and neighbours; and we produced an energy saving leaflet with the other three energy and water utilities in our region.

We constantly challenge ourselves to stay responsive and deliver tangible improvements in how we engage. To that end our focus in this next year will be to continue to innovate and change how we engage to be with the best in the country – a specialist expert

review of our stakeholder engagement is already underway. It already points us to wider use of Facebook and YouTube alongside Twitter to reach more people and hear their views.

Thank you for taking time to read our submissions. I hope you find all three interesting and look forward to hearing your views on them.

Phil Jones,
Chief Executive



FEEDING BACK ON ENGAGEMENT

Effective stakeholder engagement should always be challenging – making our business think afresh about how we do things.

We believe our stakeholder engagement model is robust – it identifies stakeholders with whom we should work (see the graphic on page 7 for some examples), engages with them meaningfully and feeds their views throughout our organisation (see diagram opposite).

We work with them across our full area, striving to achieve a balance across operations (see map on page 4) and feed back to them how we have responded (see graphic below). This year, we've made several key changes to the way we operate, building on the disciplines of the annual reassessment against AA1000SES. We have also commissioned a major third party review of our processes so that we're confident that

they are as open and innovative as we would wish them to be and so that we're set for the future. Our Stakeholder Panel remains our key engagement forum, and this year we have expanded the size of the group to include more representatives from city regions, energy suppliers and the private sector. Through consultation with the panel, our senior managers and our executive we wanted to ensure that there was sufficient representation to input on our policy development work, for example the Northern Powerhouse and the Business North agenda; and also to support and input to industry consultations and our public opportunities for influencing such as Select Committee appearances. The format of our meetings has also changed. We have replaced the single plenary meeting with a two-part session. The second half

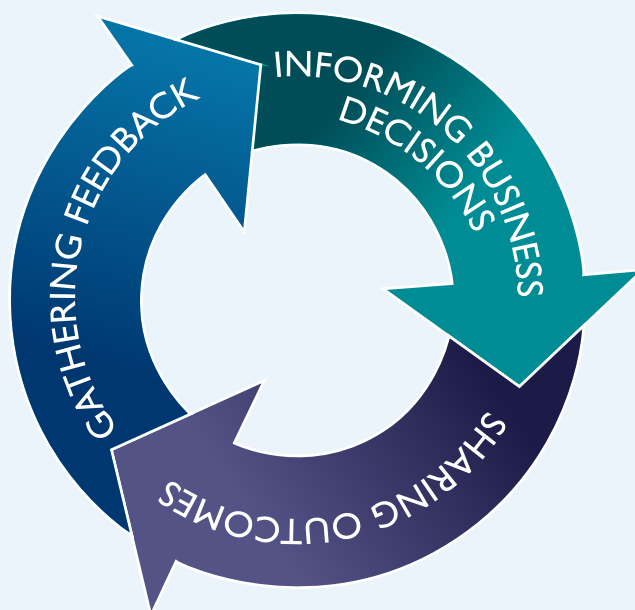
is now broken into smaller, topic focused groups allowing subsets of panel members to get closer to issues that particularly interest them. This format allows for higher-level more concept-led discussions which are beneficial for issues early in development, affecting a wide range of stakeholders which would benefit from input from the broadest range of organisations. The second stage of

SOCIAL ISSUES EXPERT GROUP

Sitting alongside our Stakeholder Panel is our Social Issues Expert Group.

This is a smaller group than the Stakeholder Panel, and with members with a clear focus and decades of experience of social issues to help us formulate our plans and interrogate our delivery. The feedback and input we receive from them is a key part of our contribution to industry groups such as the ENA Safeguarding group as well as how we develop our own policies.

In meetings earlier in the year we discussed in detail our Care Quality Indicator and they helped us radically reshape our original proposal to make it a simpler and more useful tracker of our performance. More recently, members of the Group advised us on the best channels for our initial PSR recruitment campaign and on the best way of tackling the data refresh of our PSR. More details on how we have implemented their advice is in part 3.



DIALOGUE LETS US ALIGN OUR DECISIONS WITH OUR STAKEHOLDERS' PRIORITIES

development sees a more specialist focus group working through an issue in more detail. This model ensures that the two approaches nicely complement each other and enhance the outputs.

The contents of this document, our Incentive on Connections Engagement (ICE) submission, our input into the wider industry's marketing and communication plan for the new 105 number and preliminary thoughts around our Losses Discretionary Award submission have already benefited from this enhanced level of stakeholder input.

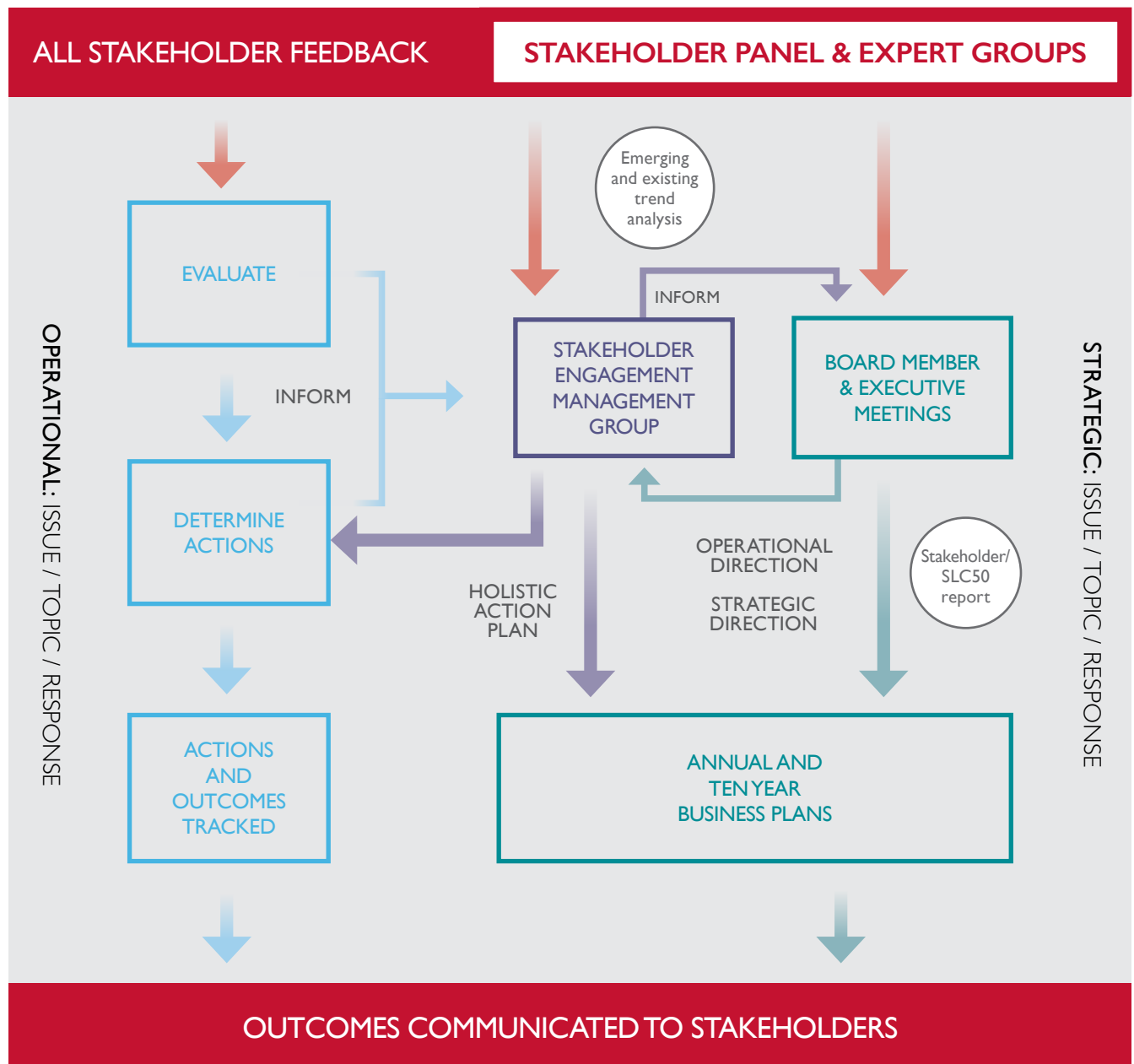
Over the next year we will be taking our

policies to the Stakeholder Panel breakout sessions at an early stage so that the Panel shapes our policies and submissions.

The diagram below illustrates how we engage with our stakeholders and how their ideas and feedback influence the decisions we make about our business. The small central stakeholder team provides the secretariat and lead for the external and internal forums and ensures ideas are captured as well as monitoring their execution. However, the ownership of delivery and responsibility for ensuring that the communication loop on engagement is closed

rests with the functional teams, particularly the zone heads who are the face of the business in their respective areas. We look to engage with our stakeholders before, during and after a programme, ensuring that we're aware of their views and whether they're benefiting from our work. This applies equally to the day-to-day work of asset replacement and our social programme. The assessment process shown above directly influenced and shaped our work with the energy heroes programme (see part 2, page 9) and improvements to the way we distribute our Priority Services welcome packs (see part 3, page 7).

HOW STAKEHOLDER FEEDBACK INFLUENCES DECISION-MAKING



ENGAGING STAKEHOLDERS ON THEIR TERMS

Our stakeholders are busy people with many competing demands on their time. In many cases, their local energy network company is low down their list of concerns and this can make it difficult to engage sufficiently.

To understand their priorities and how we can best provide a service to them, we go to where they are, joining existing events where relevant and useful.

Our map, below, shows just some of the events we've been to engage with our stakeholders, and on page 10 we discuss our work with the other utilities

in the region, through Infrastructure North, where we've collaborated with our neighbouring companies to engage shared stakeholders and reduce the problems of 'stakeholder fatigue'.

DURING AN INCIDENT

Our profile is at its highest during powercuts and other major incidents. During the

THIS YEAR WE CONTRIBUTED TO

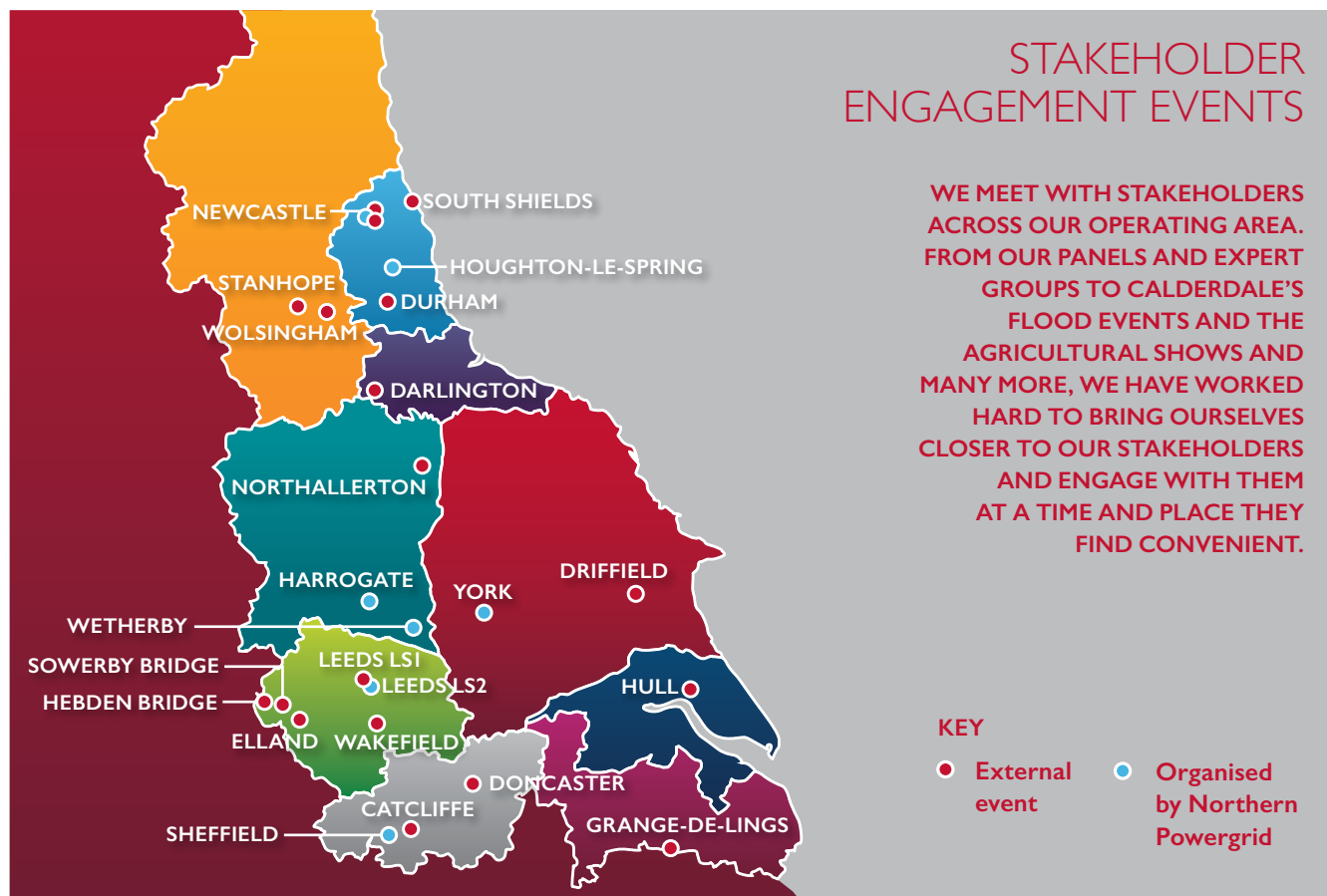
A wide range of agricultural shows – from the Great Yorkshire to the Lincolnshire, Driffield and Wolsingham shows

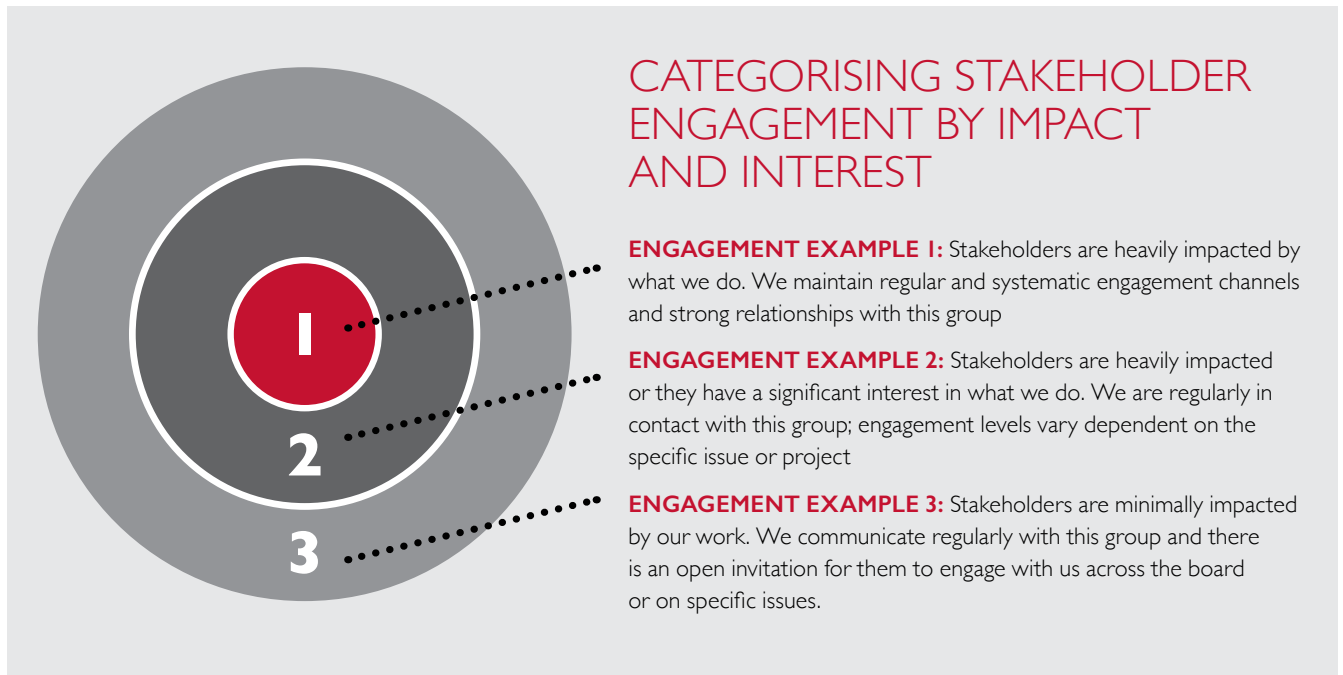
The Y16 'inspiring Yorkshire' event run by the Yorkshire Tourist Board

Calderdale Flood Roadshows

The Major Energy Users Council Yorkshire conference.

incident itself our focus is on keeping people informed, in person, on the phone and through social media; but in the days following the incident we seek to establish relationships for the long term whilst we're





still at the forefront of stakeholders' minds. Our key method of keeping in touch is our Stakeholder Bulletin. Whether through major storm incidents where we're keeping our stakeholders in touch with our efforts to restore power or regular updates on our work across the business, the bulletin acts as our main communication channel with more than 8,800 stakeholders on our database. Its use is carefully balanced, as we recognise that there is a fine line between good communications and over-communication.

As well as talking about our own business, we've also had articles about smart meters (pointing people to Smart Energy GB resources) and the new single emergency number – using the bulletin to discuss wider issues. After each major incident, during which stakeholders are updated at least every 18 hours and usually more often, our close-out bulletin seeks views on how we could have done better during the incident. The feedback we receive is fed back into the company debrief to inform our work, whether

operational or communications, during the next incident. Whilst we have kept our stakeholder database updated over the last few years, we recognised that it was time for a root and branch review and commissioned a local specialist agency to update it. This review aligned the database to our new operational structures to ensure a comprehensive contact list and to complement our developing policy work.

The new database allows us to communicate confidently with stakeholders, tailoring our communications to update and inform on broader issues but often containing a 'hook' of local information or policy relevant intelligence that would be of particular interest to that group.



Ulley Ranger
@ulleyranger

Jan 21

Great and very rapid response by [@Northpowergrid](#) to wiring here at [#ulleycountrypark](#). Many thanks 🍷

↩ Reply ↻ Retweet ★ Favourite



OPEN AND HONEST COMMUNICATIONS

The key to stakeholder engagement for any organisation is to keep an open and transparent dialogue, being honest about what can be achieved.

CHANGING TIMES

Our Stakeholder Engagement Management Group (SEMG) scopes and coordinates much of our engagement programme. Comprised of senior manager representatives from each business unit in the company, they meet monthly and act as a sounding board – its membership is designed to be representative of our business. This year we changed the way it operated. Instead of simply discussing how and with whom we have engaged in the previous month, most of the meeting is now set aside for a discussion about how we engage with a particular stakeholder group – for example, small businesses or MPs – sharing best practise and working out the best way across the company of improving our engagement with that group; and developing the best way for the business to respond

to their views. It ensures that there is an appropriate balance to our focus and resources across the stakeholder groups, aligned with our priorities.

An additional benefit is that the regional leaders in our company, who are closest to local stakeholder issues, are part of how we respond to each issue. As part of this, our research programme is now orientated around the topics and the outcomes from the SEMG, so following some meetings we carry out research – for example with the voluntary sector via our partnership with VONNE or with Small and Medium sized businesses (SMEs) via the specialist agency Verve (who survey on behalf of the FSB). These have been part of our publication programme during the year as well as helping the business respond to our stakeholders' priorities.

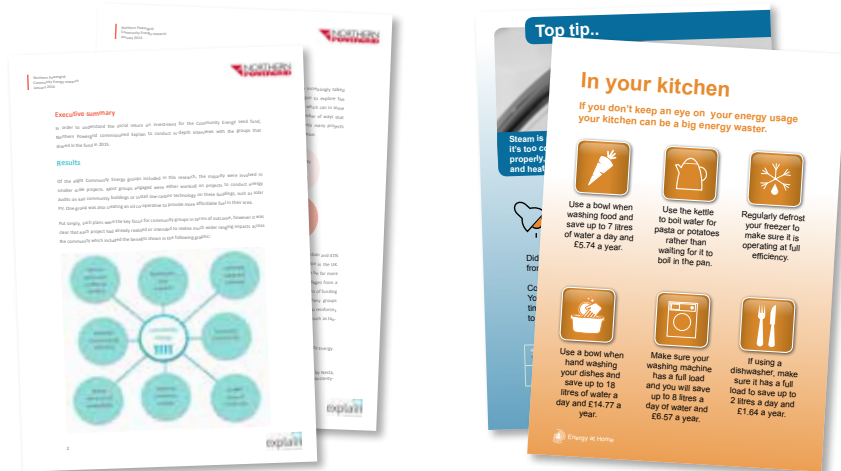
SHARING AND LEARNING FROM BEST PRACTICE

We are committed to learning from the best and helping others benefit from our research and knowhow.

In the last year we published third party research reports on our work in Community Energy; the development of our 'Energy Doctors' Groundwork scheme; and on how older people in York who have experience of flooding feel services could be better provided to them.

Responding to feedback from stakeholders at our 'Care Professionals' event (part 3, page 5) we worked with our Infrastructure North partners to put together a free energy saving guide 'Energy at home', to mark Fuel Poverty Awareness Day on 26th February. That was available through the Infrastructure North website as well as through social media and other partners. To help us compile the report we worked with Groundwork, to ensure the tone of voice and contents was most useful for the target audience.

We also produced and published our own guide for community energy groups which we launched at the annual national community energy conference – we were the only Distribution Network Operator (DNO) there and discussed the principles of how to connect to the network with groups from across the country. Our guide was subject to two rounds of consultation with the community energy groups with whom we have strong links, to ensure that we were explaining the most pressing issues and were pitched at the right level.



THIS YEAR WE'VE PUBLISHED MANY RESEARCH REPORTS AND BROCHURES TO HELP OUR CUSTOMERS. WE'VE DISTRIBUTED THEM THROUGH OUR NETWORKS AND THE MEDIA; AND MADE THEM PROMINENTLY AVAILABLE AT NORTHERNPOWERGRID.COM/YOUR-POWERGRID.

KEEPING IN TOUCH

* www.northernpowergrid.com/your-powergrid

ENERGY SUPPLIERS HOUSING ASSOCIATIONS **WEA**
 NATIONAL PARKS COMMUNITY ENERGY GROUPS
 LOCAL COUNCILS **AONBs** SAFEGUARDING BOARDS
 CITY FARM CITY REGIONS **MPs**
 CITIZENS ADVICE **LEPs** COUNCILLORS
 FLOODED COMMUNITIES **CUSTOMERS**
 FARMERS TOURIST ORGANISATIONS
 SMALL BUSINESSES MAJOR ENERGY USERS
PHARMACIES THE NHS

WE KEEP IN TOUCH WITH A WIDE RANGE OF STAKEHOLDERS EACH YEAR, THROUGH SOCIAL MEDIA, EMAIL BULLETINS, EVENTS AND OUR ONLINE COMMUNITY. WE TAILOR OUR COMMUNICATIONS SO THAT STAKEHOLDERS CAN KEEP IN TOUCH THE WAY THEY FIND MOST CONVENIENT. FOR EXAMPLE, MOST COUNCILLORS IN OUR AREA RECEIVE A MONTHLY EMAIL BULLETIN FROM US.

INFORMATION

We take the gathering and checking of our data seriously. Most of the data in this submission is taken from our own internal sources which are checked through the company's data assurance processes in line with Ofgem's data assurance guidance. We also use third party sources, such as independent market research companies, who comply with

their own professional and trade body codes; and charities such as Citizens Advice who record data on the number of clients they see and follow the guidance of their national organisation. The submission as a whole is also reviewed by staff from across the company as part of its preparation who each assure that the words accurately reflect the activity being detailed.



Lady Gooner
@Zara_Joyce

Dec 8

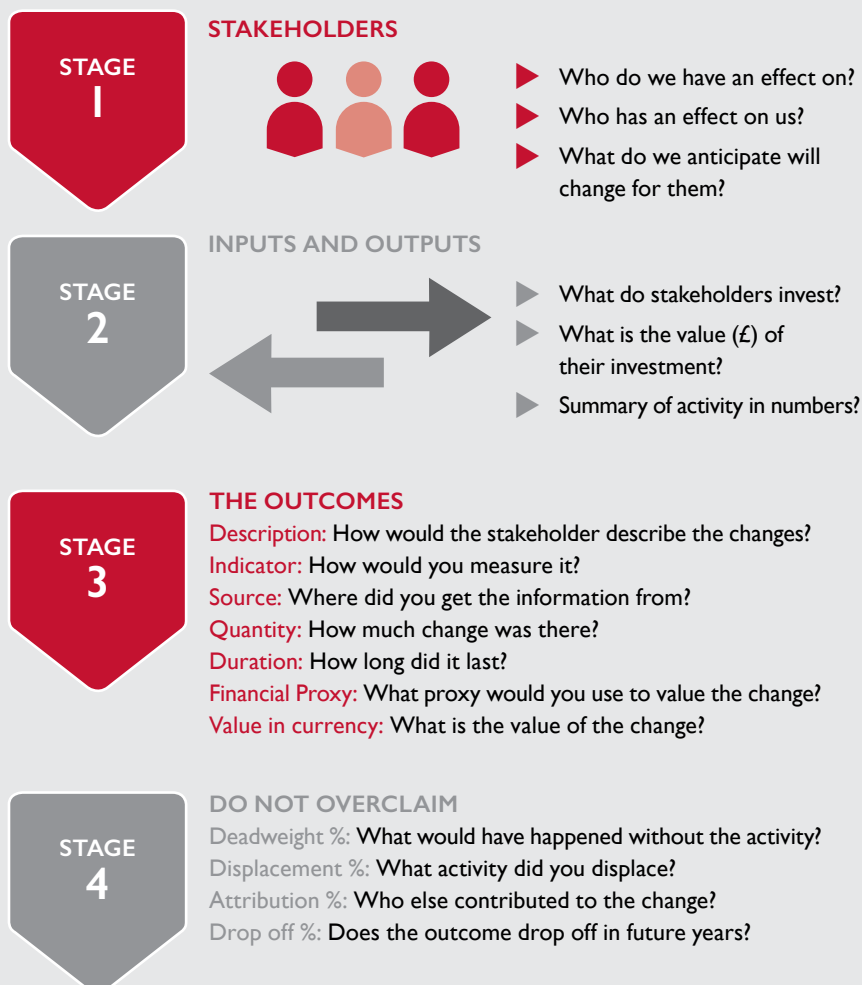
[@Northpowergrid](#). Superb to see two major companies working well together in crisis situ. Lancaster thanks you!

[Reply](#) [Retweet](#) [Favourite](#)

LISTENING, RESPONDING AND VALUE FOR MONEY

It's important for our customers and our stakeholders that we demonstrate value for money in everything that we do; and that we feed back to them on how we have responded to their views and requests.

THE IMPACT MAP WE USE



Originally created for the Cabinet Office, the social value framework that we utilise helps us to apply a thorough & consistent approach to project development, evaluation and measuring impact.

- 1 INVOLVE STAKEHOLDERS**
Inform what gets measured and how this is measured.
- 2 UNDERSTAND WHAT CHANGES**
Gather evidence to recognise positive and negative changes. (intended and unintended).
- 3 VALUE THE THINGS THAT MATTER**
Place values on outcomes based on the importance to stakeholders.
- 4 ONLY INCLUDE WHAT IS MATERIAL**
Determine what information and evidence must be included to give a true and fair picture of impact.
- 5 DO NOT OVERCLAIM**
Only claim the value that activities are responsible for creating.
- 6 BE TRANSPARENT**
Report to and discuss results with stakeholders.

Whilst there are well developed economic models for work such as asset replacement, work to support vulnerable consumers and our social programme is harder to assess in a robust and comparative basis.

We have adopted the Social Return on Investment model promoted by the Cabinet Office and now becoming the common standard. Using this recognised reference method enables us to use and share our data more consistently with our partners, a vital detail in effective collaboration. We show in part 3, page 9 an example of this; and the graphic, left, explains in principle how it works. The returns are impressive and justify the work that we invest in them. We carry out research with the beneficiaries of the projects, sitting alongside the SROI data, as part of the overall project evaluation.

STAKEHOLDER AUDIT – THE AA1000 STANDARD

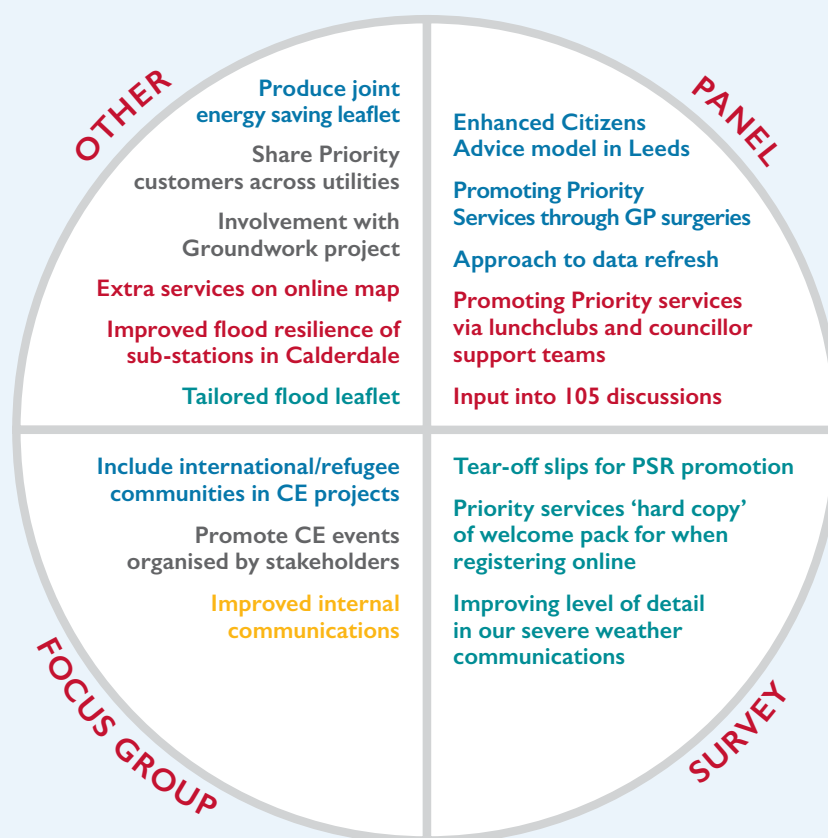
For the fourth consecutive year, we have successfully achieved the AA1000 stakeholder engagement standard. Independently audited, the report acts as a valuable insight into how we could further improve against our processes, what areas we should focus on, as well as provide an external steer of where we could learn from others. To build on this we have taken the additional step of commissioning a senior expert to review all our processes outside of the audit framework to ensure we're taking lessons from the best.

It's important that we don't just listen to our stakeholders but that we can demonstrate that their views change what we do, completing the loop on engagement, so that it's clear that their time has made a difference to our service. Whilst the graphic on page 3 shows how views filter through the company; the graphic, right, illustrates a few cases of how this has happened in practice.

OUR STAKEHOLDERS INFLUENCE US AND CHANGE WHAT OUR BUSINESS DOES. WE MAKE SURE WE REACH OUT TO A BROAD BASE OF STAKEHOLDERS THROUGH A RANGE OF CHANNELS. THIS GRAPHIC REPRESENTS A SNAPSHOT OF JUST SOME OF THE EXAMPLES OF HOW WE'VE BEEN INFLUENCED

■ Voluntary ■ Business ■ Councils & LEPS

■ Vulnerable People ■ Employees



“ SENIOR MANAGEMENT ARE INVOLVED IN THE REVIEW AND PLANNING OF ACTIONS IN RESPONSE TO STAKEHOLDER FEEDBACK.”

“ THERE IS A CLEAR LINK BETWEEN THE OUTCOMES OF ENGAGEMENT AND THE CORE BUSINESS.”

Extracts from the Stakeholder Audit against the AA1000 standard.

INDUSTRY PARTNERS

Looking beyond the world of electricity, we recognise that not only do we share the same customer base as the other 'pipe and wires' utilities in our area, but that, in the eyes of many, we are part of a broader group of utilities providing essential services.

Infrastructure North is one of our key partnerships, bringing together four utilities in Yorkshire and the North East.

Although we have many differences as businesses there are clearly opportunities for all of us, and our stakeholders and customers, to gain from closer collaboration. This year we took the partnership onto the next stage and, taking the lessons from the models of our expert groups and how they complement our stakeholder panel, we established sub-groups looking at bringing together broader employee experts from our companies and learning lessons from each other on social issues; innovation, and low carbon programmes. The move to more specialist groups created the capacity for us to engage better with, and respond more quickly to, our stakeholders producing outputs at a more granular level.

We've also worked closely together on a range of practical projects, ranging as widely as extending our network to allow Northumbria Water's Grassholme reservoir to have a turbine installed and be connected to the grid; to jointly exploring a way of measuring the social gain from more efficient traffic management during excavations.

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As we mentioned on page 4, one of the struggles for network companies is our low profile, caused by the rarity with which customers actually need to contact us. Despite awareness raising programmes, many customers with busy lives will often forget us at the time they need us most. That's why we welcomed the national project to introduce a single emergency number for electrical network companies.

REPORTS LAUNCHED BY INFRASTRUCTURE NORTH THIS YEAR

"Growth, Investment, Potential", aimed at the Westminster and public policy community discussing the economic, social and employment impact of the four regional companies

"Energy at Home" a helpful booklet aimed at householders, particularly vulnerable people or those working with them; full of ideas and hints about how to save water and energy in the home.

We enthusiastically support the multiple groups set up to deliver this including chairing the Consumer Awareness, Procurement and Technical groups. While resource intensive we recognise that this is likely to be a 'game-changer' for network companies in terms of visibility and engagement with our customers and we wanted to play the biggest role possible in making sure this was done effectively across the country. The campaign will be the biggest national campaign on behalf of all electricity distribution companies. It may well provide the template for future national campaigns where we all already run individual campaigns, such as on winter awareness and PSR promotion.

ALONG WITH OUR THREE UTILITY PARTNERS, WE LAUNCHED AT WESTMINSTER A REPORT ON OUR COMBINED ECONOMIC, SOCIAL AND EMPLOYMENT IMPACT. THE REPORT EXPLAINED HOW WE WORKED TOGETHER AND PROVIDED CASE STUDIES SHOWING HOW WE WORKED TOGETHER ON THE GROUND.

