



Part 1: Overview of evidence

Stakeholder Engagement and Consumer Vulnerability Incentive

Tailoring our engagement
with our stakeholders

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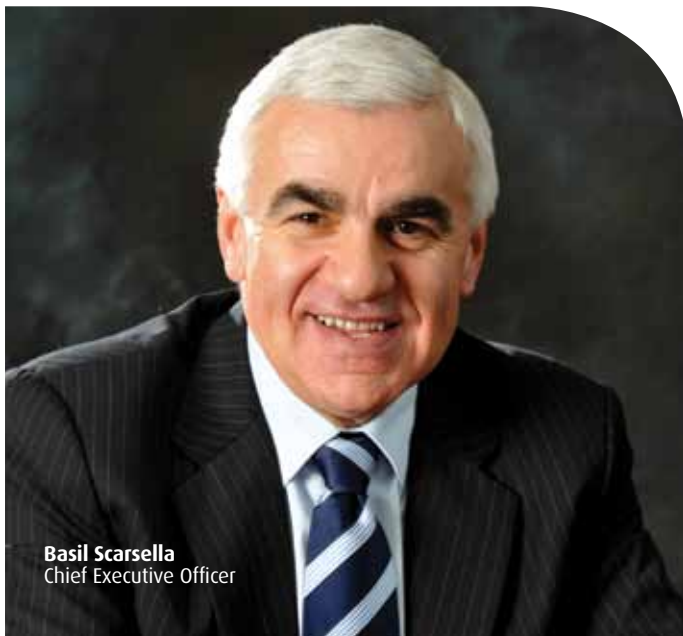
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Introduction

Championing our stakeholders' voices: a step change in our performance



Basil Scarsella
Chief Executive Officer

All of us at UK Power Networks fully understand and accept that our performance is determined by how well we serve our customers and stakeholders, and I personally hold our business to account on how effectively we engage. Stakeholder engagement with clear outcomes is therefore an absolute focus for us and as a result, we have seen really significant progress in our stakeholder engagement achievements this year. We know that unfortunately, due to circumstances beyond their control, some customers are more vulnerable than others and they require extra care and attention from us. For that reason we are putting more effort than ever before into understanding, anticipating and meeting the needs of our vulnerable customers.

The delivery of electricity is an essential service that must cater for differing customer needs and expectations. We cannot use a 'one size fits all' approach. The diversity of services we aim to provide goes to the heart of our company vision to be a 'respected corporate citizen' in the eyes of the community we serve through the commitment of our employees.

Our vision is to be:

An employer of choice

A respected corporate citizen

Sustainably cost efficient

We serve areas of deprivation alongside some of the wealthiest in the country. Our operations include the bustling metropolis of London through to rural and coastal areas, from homes to businesses and institutions of international repute, as well as powering events of global significance. However diverse our customers are, their expectations are universally the same. They wish to be treated with care and consideration, catering to their own individual needs, whatever their circumstances.

We are delivering a step change in our performance, by working hand-in-hand with our stakeholders, closer than ever before. Whether you live in London or a small village in the countryside, UK Power Networks aims to provide a tailor-made service to match your individual needs. We want to

- Offer the lowest prices to our customers, and we do, with the lowest domestic customer costs in the UK.
- Keep customers safe, a priority underpinned by the best employee safety record in the distribution industry.
- Run the most reliable power supplies, and we're the most improved distribution company for reliability.
- Provide the best service to customers and, with 85% satisfaction levels, we are on a par with renowned brands such as John Lewis and Amazon.

I am proud of our achievements, including winning a host of awards for innovative and inspiring ways of helping our customers. Yet our ambition to do better for our customers is relentless and we know great stakeholder engagement is a vital part of this.

I currently chair the Electricity Networks Association and I have seen significant collaboration in the industry to deliver a UK wide single emergency number for customers to call if they have a power cut or an emergency situation. This will make it easier for customers to get in touch with the right company and it will be delivered ahead of timescales expected for a significant project of this size. I am proud to see my teams dedicate a high proportion of their time this year to planning this service for our customers.

For our Stakeholder Engagement and Consumer Vulnerability Incentive submission we have detailed our vital activities and accomplishments. Part 1 of our submission describes our strategy, approach and the scale of activity. We reviewed priority issues with stakeholders to shape our strategy, using feedback to develop plans, gain a clear understanding of the things that matter most to our stakeholders and deliver tangible results.


Feedback from stakeholders tells me we are making good progress. I provide regular updates to our board of shareholders and independent directors on our stakeholder engagement and consumer vulnerability performance, and we will continue to seek, listen and find new ways to deliver and measure stakeholder engagement. I believe this year's submission demonstrates the step change in performance I have been seeking from our business.



Basil Scarsella
Chief Executive Officer

More highlights from this year:


We have engaged with
39,000
stakeholders


450+
stakeholders gave up valuable time to attend our events


250+
organisations have been represented


145 outcomes for customers have been achieved, including 50 outcomes benefiting our most vulnerable customers

We recognise what our customers want

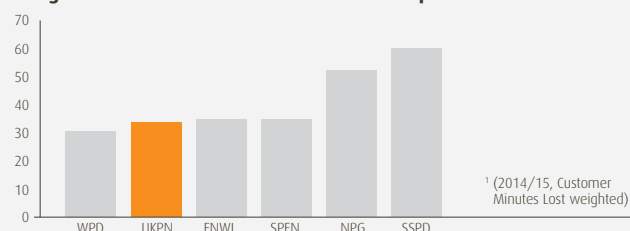
We appreciate the diversity of our 18 million customers and stakeholder engagement has told us that:



1. Customers want the lights to stay on

Power cuts don't happen often and we know that when they do happen our customers find them inconvenient and want the lights back on as soon as possible. This is why we have done a tremendous amount of work to reduce power cuts. Since 2010, our customers have experienced 34% fewer power cuts and when there is a power cut we fix it much faster. In London, a difficult area to serve with its high population and expectations, we have ensured that our customers have the most reliable power supplies in the UK*.

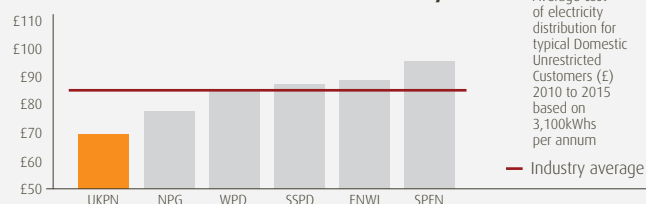
Average amount of time customers are without power¹



2. Customers want to pay less for their electricity bills

With rising living costs we know customers want to keep costs down and electricity is no different. Approximately 16% of the electricity bill, around £70 a year, is down to us and we do everything we can to keep this figure as low as possible, with a pledge to deliver our business plan commitments at the lowest cost. This is why we are already the lowest cost electricity distribution company in the UK.

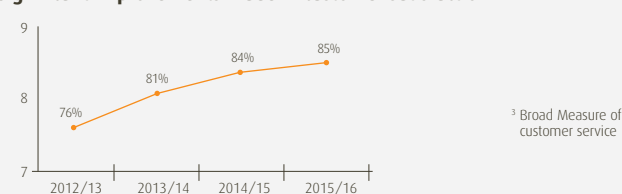
Lowest domestic distribution costs in the industry²



3. Customers want us to delight them with excellent service

In a world where expectations are rising and people have less time, we know we need to be accessible any time of the day for our customers. This is why our shareholders have invested significant sums in a transformation programme to make us the most innovative service provider in our industry. This, along with a changed culture, has led to our customer service performance increasing by 9 percentage points over the last four years, from 76% to 85%. We won't stop there though - we are aiming for 90% satisfaction by 2018.

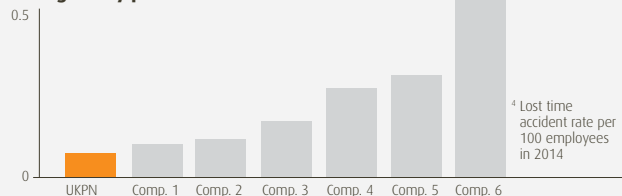
Significant improvements made in customer satisfaction³



4. Finally, customers want us to keep them and the public safe

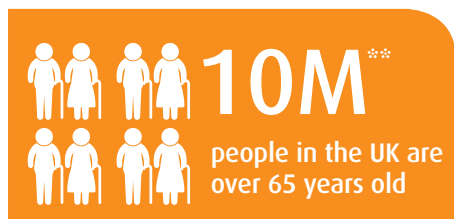
Safety is something that our stakeholders take for granted and just expect us to deliver. We totally agree and it's a massive focus for us. We have put a huge amount of effort into this area, which has resulted in us having the best safety record in the electricity distribution industry.

Leading safety performance⁴



Delivering on these four customer priorities is embedded in our culture and business planning

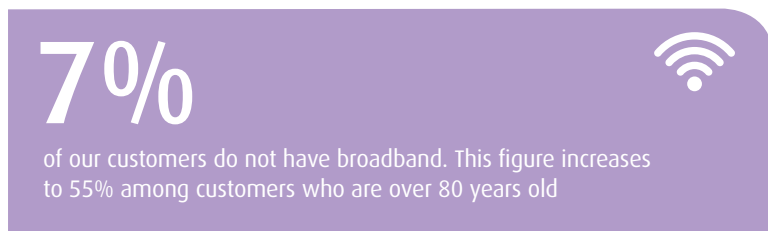
We have made significant performance improvements over the last four years to ensure that we are delivering in these four areas that are the most important to our stakeholders. Our culture has changed to one that is delivering for our customers and stakeholders. We can say that confidently because all four areas that stakeholders want us to focus on are included in our company scorecard that our CEO and executive team track on a weekly basis. The performance of every single one of our 5,600 employees is measured on safety, cost efficiency and either customer services or network reliability. This ensures every employee is working towards a common goal of serving our customers and their most important needs and they are rewarded for their performance in these areas.



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"A reliable power supply is absolutely essential for the success of West End theatres.

In the event of a power cut we need to be able to recover our operations as quickly as possible to avoid losing shows and audiences and protect London theatres' first class reputation around the world. UK Power Networks have worked with Nimax to understand our business priorities, look at ways of improving resilience and ensuring good communication links both on the ground and at management level so that in the event of a power cut we can respond as quickly and effectively as possible to avoid disruption." (Executive Director, Nimax Theatres)



* this is based on customer interruptions in London
** (10M) - www.parliament.uk

*** (1.7M) - 2011 Census, www.ons.gov.uk
**** (10.4%) - Annual Fuel Poverty Statistics Report 2015, DECC

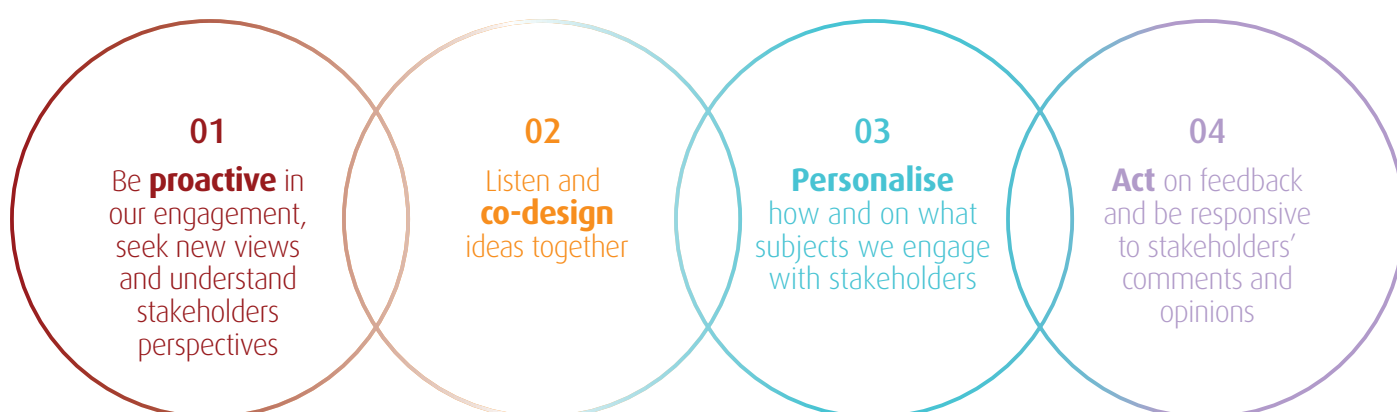
1 Our stakeholder engagement strategy

We have an extensive stakeholder engagement programme. We understand that every touch point is an opportunity to learn. From a phone call with a customer about a power cut to talking to fifty people at a large event, we appreciate the importance of engaging with every stakeholder and we know that it's a crucial step in achieving our vision to be the best electricity distribution group.

We define a stakeholder as *any individual, group of individuals or organisation that affects, or could be affected by, UK Power Networks' activities, services or associated performance* and we know we have to focus on putting them at the heart of our business.

We take pride in the fact that our strategy has been aligned with the international AA1000 Stakeholder Engagement Standard (SES) for many years, a leading international standard. The AA1000 SES standard is the foundation of UK Power Networks' four guiding principles of stakeholder engagement and we have built on them to develop our own approach.

Our four guiding principles to stakeholder engagement



Stakeholders we have engaged with this year:

Developers & Engineers

- Low carbon/smart grid developers
- Construction companies
- Engineering institutions
- Generator developers
- New market entrants

Government interests

- Central Government
- Local authorities
- London government
- Ofgem
- Politicians

Consumers

- Domestic
- Vulnerable customers
- Industrial & commercial
- Fuel poor
- Hard-to-reach groups
- Small businesses

Local interests

- Charities/NGOs
- Unions
- Media
- Community energy groups
- Parish councils
- Schools
- Partners



Our engagement circle

In practice we follow the following engagement circle in every engagement activity, which ensures our four guiding principles are always met:

01. Understand:

We proactively find new, relevant stakeholders and understand their needs.

02. Engage and listen:

This year we have engaged with over 39,000 stakeholders.

03. Record outcomes:

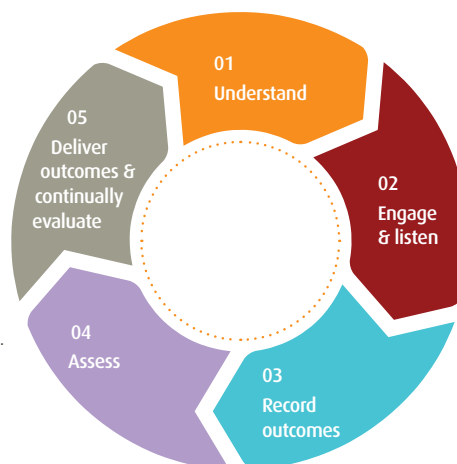
We have recorded actions this year from our engagement events.

04. Assess:

We evaluate and assess recorded actions with employees to ensure they are delivered.

05. Deliver outcomes and continually evaluate:

This year we have delivered 145 outcomes as a result of stakeholder engagement. All of these outcomes are tracked and continually evaluated.



Stakeholders have driven our focus

We go through an annual cycle of stakeholders helping us prioritise our focus for the year. Stakeholders said understanding their needs is the starting point for any successful business. We agree that it is critical to provide an excellent service which is why we go through this process to shape our plans:



2 Our Consumer Vulnerability strategy

Looking after the most vulnerable members of our society is one of the greatest challenges we all face and one to which the general public attach great importance. We are determined to make sure we do all we can to recognise and respond to this priority.

Defining consumer vulnerability

We concur with Ofgem's definition of consumer vulnerability as:

When a consumer's personal circumstances and characteristics combine with aspects of the market to create situations where he or she is:

- Significantly less able than a typical consumer to protect or represent his or her interests in the energy market; and/or
- Significantly more likely than a typical consumer to suffer detriment, or that detriment is likely to be more substantial

Whilst there is a correlation between fuel poverty and vulnerability, we recognise that they are separate issues with different challenges for different demographic groups. We know that fuel poverty has three main contributing factors: low income, the cost of energy and the energy efficiency of our customers' homes, so we concentrate on tackling these.

79% of stakeholders surveyed agree with our consumer vulnerability vision which is to:

"Do our utmost to identify the customers that are most vulnerable during a power cut and/or who may be in fuel poverty whilst engaging with them sensitively. To provide the highest possible levels of care and attention during any interaction as well as a personalised suite of products and services to support them in their everyday lives."

Our stakeholders agree consumer vulnerability is important

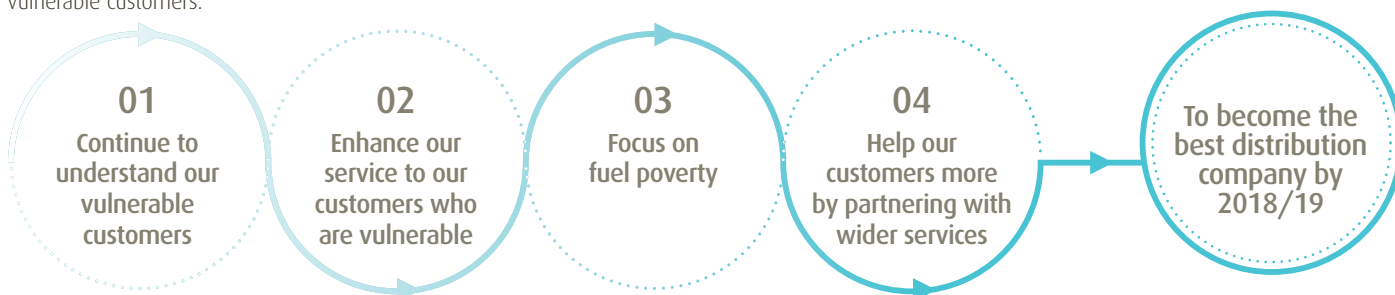
This year, stakeholders let us know that delivering tailored services to our vulnerable and fuel-poor customers was very important and should remain one of our key focus areas. They specifically stated that fuel poverty and vulnerability during a power cut are two separate areas of focus:

"Fuel poverty and vulnerable customers can be separate entities; they overlap but are different - anyone can be in fuel poverty, but vulnerable tends to be health related, but could also include people working from home." (Stakeholder group view at a Critical Friends Panel)

National Energy Action have made it very clear that fuel poverty is a crisis that needs to be addressed, stating that "Cold homes are currently a bigger killer across the UK than road accidents, alcohol or drug abuse." DECC estimates that 10.4% of households in England are in fuel poverty. Listening to all this has informed our consumer vulnerability strategy.

Our consumer vulnerability strategy and principles

Our strategy for delivering on our vision is based on four principles, which underpin our aim to become the best performing electricity distribution company by 2018/19. We review this strategy each year with stakeholders and customers to ensure we continue to focus on the areas that are important to our vulnerable customers.



All projects across these areas are regularly monitored and evaluated

50

Consumer Vulnerability outcomes

All our work this year has led to 50 outcomes for our vulnerable and fuel-poor customers.



Find out more here:
ukpowernetworks.co.uk/consumervulnerability



Engaging with a customer at their home

3 We have carried out more targeted engagement than ever

Quality methods used to engage stakeholders



Find out more here
www.ukpowernetworks.co.uk/events

This year, to improve the quality of our engagement, we have carried out more targeted engagement than ever before. This has ranged from our Chief Executive talking to ministers at the heart of Government to our teams engaging with students and scouts to discuss their wishes for the future. Our engagement methods have been diverse to reflect our audiences. We always personalise our engagement method based on methods we know our stakeholders prefer.

We conducted a detailed review of the best ways to engage each audience, appreciating that no one size fits all. This comprised of four main strands:

1. Asking our stakeholders directly about engagement methods and what works for them.
2. An exercise to research and review best practice engagement methods from the private and public sectors in the UK and internationally, commissioned from an independent consultancy.
3. Holding discussions with our contemporaries from the energy and water sectors. This included a new forum we organised and hosted which discussed engagement methods and partnerships.
4. A member of the Stakeholder Engagement team visited nine organisations in Canada to learn about engagement methods that distribution companies adopt there.

This has resulted in using more local, personal and targeted methods of engagement because talking face-to-face is the most effective way to understand stakeholders' views.

How we have engaged this year:

Ways we engage:	• Individual face-to-face meetings	• Home visits	• Ask the expert sessions	• Engagement events	• Market research • Focus groups	• Local meetings	• Critical friends panels	• Telephone & social media
Targeted at:	• Developers • Customers • MPs • Ofgem	• Vulnerable and fuel poor customers	• Developers, novice connection customers	• Local authorities • Independent Connection Providers	• Domestic customers	• Charity partners • Utilities • Journalists	• Interested regular stakeholders	• Domestic customers
Example:	Our CEO met the Secretary of State for Energy and Climate Change	We visited over 20 customers' homes because they struggled to get to our events	We held small meetings where customers could ask one of our expert employees technical questions	We held events with local authorities with lots of discussion and feedback	We held online and telephone interviews with over 1,000 customers	We meet every quarter with the British Red Cross to review strategy	We held nine sessions in a format that stakeholders endorsed	We engaged with over 1 million customers by phone

A focus on personal and local engagement

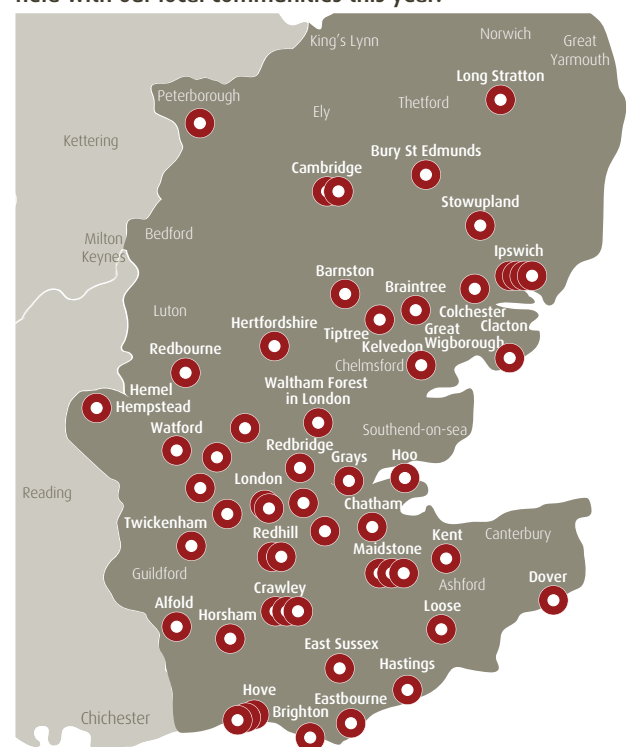
A best practice review exercise told us that a more localised, personal and targeted engagement approach is effective which has driven our focus this year. Three examples are:

1. We engaged vulnerable customers by partnering with a trusted body, West Sussex Fire & Rescue Service and went door-to-door to gain views on the Priority Service Register (PSR) and how customers feel about receiving help to lower their electricity bills. A representative from West Sussex Fire & Rescue Service said: **"I think today has been a really positive exercise for both organisations. Let's hope we can do something similar again in the near future!"**
2. We have attended events hosted by Age UK, British Lung Foundation and the Alzheimer's Society that have resulted in a far higher level of understanding of vulnerable customers by directly talking with them over coffee or lunch in their local communities.
3. We have engaged our connection customers via surgeries to help them progress their work by talking to our experts face-to-face where they can ask questions and have an open discussion.



UK Power Networks employee and a Fire & Rescue Service representative advising a customer about the PSR

The map shows areas where engagement events were held with our local communities this year:



Examples of our engagement with hard-to-reach stakeholder groups

Engaging with harder to reach groups

Our stakeholders last year were referencing issues relating to hard to reach communities. We realised we could strengthen our knowledge about hard to reach communities in our region, especially customers where English isn't their first language and customers who live in rural or coastal regions. We have spoken to over a thousand hard-to-reach customers this year, specifically:

- Customers who live in coastal regions
- Customers who live in rural areas
- Small businesses working in rural locations
- Ethnic minority groups
- Customers who are elderly

We found that during a power cut, rural and coastal customers, compared to urban customers, want regular updates, reassurance as well as hands on support such as hot drinks. We also found that 10% of the customers we surveyed who were from ethnic minority backgrounds have at least one adult in their household who does not speak English.

Outcomes:

- We have set up a customer and community support team for use during power cuts which has helped 3,000 customers in rural and coastal regions (read more in part 3, page 5).
- We have launched a new mobile app to help understanding between our non-English speaking customers and our employees and improve service (read more in part 3, page 5).



Engaging with community energy stakeholders

88% of stakeholders surveyed told us that working with community energy groups should be an integral part of our business, so this year we engaged with three community energy groups. We have undertaken interviews with Hertford Energy Now in the eastern region, Brixton Energy in central London and Community Energy South in the south eastern region. It is clear from our discussions that the Community Energy sector can work with us and we can really help each other. Community energy companies are in an ideal position to sign up local people to the PSR. They play a powerful role in local communities, they are talking on doorsteps and in customers' living rooms about people's energy needs and are seen as trusted intermediaries and sources of advice on energy matters.



Outcome:

- New partnerships set up with Brixton Energy and Community Energy South.

Stakeholder engagement is embedded within our business culture

Our thousands of employees engage with stakeholders and gather feedback on a daily basis. All of the feedback we receive is managed centrally by a senior manager, the Head of Stakeholder Engagement. Based on all the feedback a strategic programme plan is in place with each project being owned by a senior manager from across the company. This senior manager buy-in ensures projects get delivered and stakeholders' feedback is listened to.

Stakeholder Engagement Strategic committee

Each month we hold an internal meeting with senior managers who own projects on the programme plan, along with the Director of Customer Services and Director of Safety, Strategy and Support Services. We use this committee to update on project progress, suggest new ideas, share best practice and ensure stakeholders' feedback is acted upon.

Executive Management Team buy-in

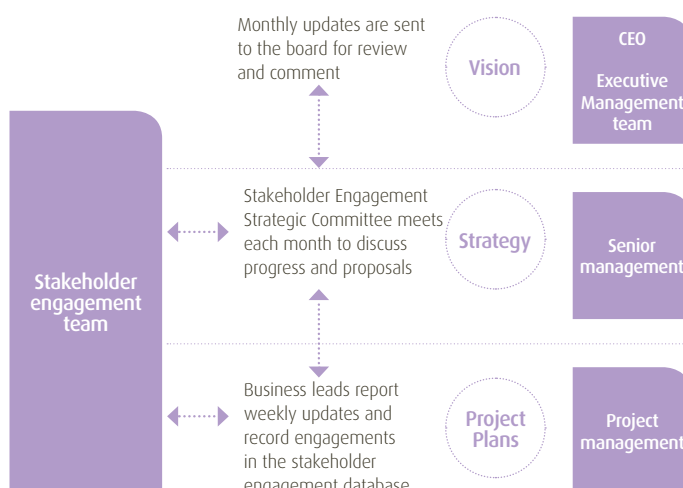
Stakeholder engagement has senior management buy-in right from the top. Each of our critical friends panel events is attended by a director. Stakeholder engagement is regularly on the agenda of our CEO and executive management team weekly meetings to ensure they are aware of progress and can feed into the plans. Our CEO takes these updates and regularly informs our owners. If new investment is needed for a project that's been suggested by a stakeholder then the decision-making process involves taking a proposal to the executive management team.

Culture change

We are the only utility company on the Sunday Times "Top 25 Best Big Companies to Work For" list. We have achieved this for the last two years. This is based on a detailed employee survey reflecting our employees' views about topics ranging from leadership, wellbeing, pay and benefits, to personal growth and team working.

We recognise the importance of having engaged employees as research shows companies with engaged employees are more likely to deliver better customer service and increased productivity ('Engage for Success' MacLeod Report).

Model showing our internal stakeholder engagement governance



This is external recognition of the standards we achieve looking after our employees



We are the only utility company to reach the top 25 Best Big Companies to work for list

4 Acting on feedback to deliver outcomes

In 2015/16 all of our stakeholder engagement has resulted in **145** outcomes (see tables below).

Customer Services Stakeholders engaged with: domestic customers, members of parliament, councils, Met Office, IDNOs, utilities, suppliers, partners, charities, parish councils, local authorities Methods of engagement: market research (face-to-face and online), one-to-one in-depth interviews, workshops, focus groups, forums, critical friends panels

No.	What stakeholders told us	Action we took	The benefit to customers
1.	Keep the lights on	Delivered initiatives to reduce the number and length of power cuts	Our customers have experienced 34% fewer power cuts
2.	I want low electricity bills	Worked to be cost-efficient in delivering improvements	Lowest domestic distribution costs in the UK (£70 per year)
3.	Keep me safe	Focused on safety every single day	Leading safety performance (lowest accident rate)
4.	Listen to my feedback	Launched 'Test it with customers' eight projects tested, six implemented	Customers benefited from services that better met their needs
5.	Remind me of work by text message	Sent over 14,000 text and voice messages reminding customers	Customers that had been reminded scored us 92%
6.	Keep me updated during a power cut	Sent over 448,000 messages to customers about power cuts	Customers who were proactively contacted scored us at 90%
7.	Invest more in London	Improved internal processes with our operational team in Central London	Our customers have experienced 34% fewer power cuts
8.	Understand your Central London customers	Undertook surveys with 660 Central London customers	Customer satisfaction increased from 84% to 86%
9.	Where have others reported a power cut?	Added tweets from customers on our online power cut map	Over 980,000 customers viewed the map
10.	Improve your website	Added over ten areas of new functionality to our website	Over two million website visits
11.	I'd be interested in video chat	Launched video chat and improved web chat	4,800 used these and 88% satisfaction rating
12.	How do you get my lights back on?	Published five videos explaining this in a simple way	Videos viewed 17,600 times
13.	Keep me updated during a power cut	Continually develop and improve services on Twitter and Facebook	Over 32,000 customers engaged on Twitter and Facebook
14.	Engage with me online	Held an industry first tweetathon and sent 99 messages	Over two million customers were exposed to our messages
15.	I would find a Twitter Q&A useful	Held two twitter question and answers sessions	79 customers engaged during the events
16.	I want to see restored power cuts online	Added restored power cut information to our online power cut map	Over 980,000 customers viewed the map
17.	I want to see planned work online	Added planned work information to our power cut map	Over 980,000 customers viewed the map
18.	I want to see Met Office warnings online	Added live Met Office information to our website	Over 980,000 customers viewed the map
19.	I want information about streetworks	Provided links to roadwork.org which displays all roadworks	370,000 customers viewed our work on Roadwork.org
20.	Your power cut map on 3G is slow	Launched power cut list that loads quickly over a mobile network	Over 100,000 customers have used this
21.	How do I know if an IDNO runs my network?	Added new website functionality to tell customers this	2,800 customers benefited from this tool in just two weeks
22.	My business suffers if I have a power cut	Have changed our process for business customers	Business customers receive an improved service
23.	Work with other utilities	Held a forum with various utilities	Overall customer satisfaction is 85%
24.	Continue to improve your service	Our director presented to other utilities from around the world	Customers benefit from the new engagement lessons learnt
25.	Continue to improve your service	Sponsored an Institute of Customer Service report to learn best practice	Customers benefit from the lessons we learnt
26-29.	Listen to my feedback	Recorded actions at engagement sessions	Four actions delivered

Embracing low carbon technology Stakeholders engaged with: transport companies, bus operators Methods of engagement: workshops, forums, critical friends panels

No.	What stakeholders told us	Action we took	The benefit to customers
30.	Help move my company's fleet to electric	Held sessions with 9 large fleet companies	60% agreed they are more confident about taking forward plans
31.	Help move my company fleet to electric	Held an electric bus advice session with TfL and bus operators	More informed and can move their plans forward
32.	Arriva wanted help electrifying their bus fleet	Met with Arriva to provide advice	Arriva plans to increase on-site power for buses
33.	TfL need to roll out electric vehicle charge points	Held surgeries about charge points	TfL have plans to deliver over 150 charge points by 2018
34.	Comment on the future power systems	Met and presented a report to DECC	Clarified how we see the future in this area
35.	I want to connect quicker and cheaper	Co-designed a commercial framework for active network management	£48 million customer savings
36.	I want to connect quicker and cheaper	Delivered a programme to enable more electricity connections	£48 million customer savings
37.	Improve electric vehicle application form	Improved the application form making it easier to use	Over 1,800 customers have used the new form
38.	I want to connect electricity storage	Held a storage forum with over 25 developers	Developers more informed
39.	Tell me more about storage	Engaged with developers to design an innovation project	Developers were given the confidence to roll out
40.	Help develop a London Infrastructure Plan	Provided GLA with wide range of our data and forecasts to 2050	GLA were able to forecast power needs for London
41.	Improve heat pump application form	Changed the forms to make them easier	Over 1,000 completed the forms
42-46.	Listen to my feedback	At engagement sessions we recorded actions	Five actions delivered

Making it easier to connect to our electricity network Stakeholders engaged with: connection customers, housing developers, engineers, distributed generation developers, independent connection providers Methods of engagement: One-to-one meetings, small workshops, forums, hosted events

No.	What stakeholders told us	Action we took	The benefit to customers
47.	I want to apply online	Improved our online website portal, 4,500 customers used this.	Satisfaction from customers applying using the website is 82%
48.	There are too many application forms	Reduced the number to two application forms	Connections satisfaction rate is 83%
49.	Work with community energy groups	Engaged with three community energy groups	New partnership with Brixton Energy and Community Energy South
50.	Work with community energy groups	Shared best practice with over 50 partners face-to-face	More companies aware of community energy
51.	Offer me pre-application support	Held 40 face-to-face surgeries to help customers	30 customers were helped via a surgery, satisfaction scores of 94%
52.	I don't understand your quote	Simplified the quote letter from 44 pages to 12 pages	Over 4,000 customers have received the new quote
53.	Make it easier for ICPs	Worked closely with ICPs to encourage competition in the market	Over 2,000 customers chose an ICP to carry out their work
54.	Where is there capacity to connect generation?	Improved our online distributed generation map nine times	This provides capacity information to over 700 active customers
55.	I want dedicated support	Have an account management team offering this to over 570 customers	Customers receive one point of contact and are invited to seminars
56.	I have a technical question to ask	Helped customers through 'ask the expert' service	1,300 customers helped with satisfaction levels of 92%
57.	Keep me up to date with what UKPN are doing	Sent four newsletters giving connections customers regular updates	Over 1,500 stakeholders receive this quarterly
58.	Improve availability of your network maps	Worked with a pilot group to download maps	12 customers benefited from the trial
59.	One report showing all my unmetered projects	Improved our reports to provide this	Four major customers benefited from single report
60.	Speed up time to get legal permissions	Engaged with connection customers and agreed to reduce timings by 10%	Reduced our time by 10% over the regulatory year
61-65.	Listen to my feedback	At engagement sessions we recorded actions	Five actions delivered

Other stakeholder engagement outcomes Stakeholders engaged with: young people, councils, environment groups, other distribution companies, employees, media
Methods of engagement: workshops, forums, critical friends panels

No.	What stakeholders told us	Action we took	The benefit to customers
66.	I only want one smart meter appointment	Planned to have the right resources, meeting service level agreements	Quicker, efficient service
67.	Engage with Central London customers	Engaged with theatres and major stakeholders in Central London	Central London customer satisfaction increased from 84% to 86%
68.	Educate children on the dangers of electricity	Engaged via events, schools and online	260,000 young people benefited from the advice
69.	Listen to my views when working in the area	Appointed a full time liaison officer for a project crossing the M25	No repeat complaints
70.	Listen to my views when working in the area	Engaged with environmental stakeholders on a Suffolk and Norfolk project	Environmental stakeholders pleased with work
71.	Listen to my views when working in the area	Consulted and engaged on major project in Battersea	Stakeholders are able to develop Battersea
72.	A power cut at the weekend is inconvenient	Limited planned work for domestic customers at weekends	Central London customer satisfaction increased to 86%
73.	Engage with politicians	Engaged regularly with all 170 Members of Parliament in our area	MPs can help constituents using our information
74.	Engage on storage	Engaged with government and Members of Parliament	MPs can help constituents using our information
75.	Engage on storage and smart grid	Engaged with government and energy select committee	Government better briefed for their report
76.	Share best practice	Shared with utilities our stakeholder engagement	Improved engagement for other utility customers
77.	Views in areas of outstanding natural beauty	Undergrounded eight miles of overhead electricity lines in seven areas	Positive response from residents, groups and businesses
78.	Collaborate with other utilities	Shared best practice with Canadian distribution companies	Customers will benefit from lessons learnt
79.	Educate public on electrical safety	Produced electrical safety film and shared with other DNOs	70 views of scaffolding safety video in first month
80.	Keep us informed about services	Held face-to-face meetings with over 70 journalists	89% of our coverage that appeared in the media was positive or neutral in tone.
81.	Support the community	Nearly 5,000 volunteering hours were spent by employees	Positive feedback from community groups
82.	Share best practice	Presentations from more than 40 employees from different parts of the business, at external events	Presented at more than 96 external events
83-95.	Listen to my feedback	At engagement sessions we recorded actions	13 actions delivered

Consumer vulnerability Stakeholders engaged with: vulnerable customers, charities, parish councils, members of parliament, councils
Methods of engagement: market research (face-to-face and online), one-to-one in-depth interviews, workshops, focus groups, forums, critical friends panels

No.	What stakeholders told us	Action we took	The benefit to customers
96.	Keep me updated during a power cut	Sent over 48,000 text messages to vulnerable customers about power cuts	Vulnerable customer satisfaction is 88%
97.	Keep me updated during a power cut	Made over 75,000 proactive calls to vulnerable customers during power cuts	Vulnerable customer satisfaction is 88%
98.	Understand my needs	Trained our employees using innovative sensory equipment	Overall customer satisfaction is 85%
99.	Understand my needs	Redesigned our training material based on learnings from sensory training	Overall customer satisfaction is 85%
100.	Understand my needs	Carried out market research with over 1,000 hard-to-reach customers	Two initiatives launched that customers will benefit from
101.	Understand my needs	Developed our heat map showing where higher levels of deprivation are	Customers in most deprived areas received more help
102.	Understand my needs	Engaged and surveyed over 100 vulnerable customers face-to-face	One initiative launched that customers will benefit from
103.	Promote the PSR	Sent an email to over 3.5 million customers	Over 15,000 customers applied to the PSR from this
104.	Promote the PSR	Ran a wider campaign. Awareness of UK Power Networks increased by 3%.	7.75 million customers had the opportunity to see this
105.	Promote the PSR	Worked with Islington Council locally	Islington Council have referred over 700 customers to our PSR
106.	Promote the PSR	Partnered with West Sussex Fire and Rescue Service	30 customers signed up to the PSR from this
107.	Promote the PSR	Distributed over 15,000 leaflets and posters	30,000 new customers benefited from being on our PSR
108.	Promote the PSR	Attended Alzheimer's Society, Age UK and British Lung Foundation events	Over 70 signed up to the PSR at these events
109.	Promote the PSR	Contacted all 170 MPs in our area to promote the PSR	Over 1,500 leaflets & posters sent to MPs for constituents
110.	Promote the PSR	Held five local events to promote PSR	700 customers attended these events
111.	Promote the PSR	Advertised to targeted disability, charity groups on social media	Over 30,000 customers engaged on social media
112.	Promote the PSR	Set up a partnership with Carers Trust to sign up customers directly to the PSR	180 customers signed up from this
113.	Help me during a power cut	Expanded the vulnerable customer team to 14 people	Vulnerable customer satisfaction is 88%
114.	Help me during a power cut	Engaged with over 140 stakeholders to improve our emergency packs	New emergency packs
115.	Help me during a power cut	Invested in new customer and community support teams	3,000 customers benefited from the service
116.	Help me during a power cut	Worked with the BRC to identify and recommend best practice amongst utilities	Other utilities customers receive improved service and BRC response
117.	Help me during a power cut	Trained our customer champions on consumer vulnerability	We have over 50 customer champions providing hands-on support during a power cut
118.	Help me during a power cut	British Red Cross helped customers face-to-face	66% of those helped received hot meals, blankets etc
119.	Treat me as an individual	Launched a new system so we can register customers as temporarily vulnerable	Over 22,000 customers benefited
120.	Treat me as an individual	5,000 hours customer service training for employees including consumer vulnerability	Vulnerable customer satisfaction is 88%
121.	Hold the correct details about me on PSR	Cleansed the priority service register	100% of our records on PSR are cleansed
122.	Keep me updated during a power cut	We notified councils over 349 times about power cuts	This has provided information to over 170,000 customers
123.	My first language is not English	Launched a new app to help communication with non-English speaking customers	Improved communication with UKPN employees
124.	Work with parish councils	Set up a partnership with 9 parish councils to sign up customers directly to the PSR	80 residents signed up to the PSR from this in two months
125.	Share data with utilities	Receive data from suppliers on additions, and updates to their PSR on a daily basis	If their details changed customers only change it once
126.	Help me manage my energy costs	Launched new 'You and your home' scheme to help customers	Customers benefited from services that better met their needs
127.	Help me manage my energy costs	Held eight energy efficiency workshops	63 customers saved £260 each on average
128.	Help me manage my energy costs	Sent 69 energy devices and made 32 home visits	101 households saved over £80 on average
129.	Help me manage my energy costs	Contacted every council in our area offering energy efficiency advice	Contributed to 30,000 new customers being on PSR
130.	Help me manage my energy costs	Promoted the warm home discount to customers	Potentially reduced energy bills
131.	Improve your service for deaf customers	Achieved the 'Louder than words' charter	Improved service for deaf customers
132.	Improve your service for deaf customers	Added transcripts to 10 videos so they are accessible to deaf customers	Improved service for deaf customers
133.	Work with partners to improve your service	Hosted a focus group to discuss consumer vulnerability with partners	80% of partners felt confident to develop plans
134.	Work with partners to improve your service	Partnered with Essex and Suffolk Water	50 employees trained to serve our vulnerable customers
135.	Work with partners to improve your service	Our CEO has spoken to two energy suppliers' CEOs about service improvements	Customer satisfaction is 85%
136.	Work with partners to improve your service	Two meetings held with EDF Energy to discuss customer communication	EDF Energy shared our messages with their customers
137-145.	Listen to my feedback	At engagement sessions we recorded actions	Nine actions delivered

5 Independent audit of our work

We engaged AccountAbility to review and assess our stakeholder engagement and consumer vulnerability performance against AA1000 Stakeholder Engagement Standard (SES) (2015) and Ofgem's guidance on Stakeholder Engagement and Consumer Vulnerability.



The assessment carried out by AccountAbility this year has supported us in shaping our engagement activities, ensuring the evidenced information provided is sound, robust and accurate, enabling our stakeholders' needs to be met in a timely manner. AccountAbility has reviewed and carried out a high level referencing of achievements and areas for improvement against the AA1000SES (2015), undertaken structured interviews with eight key internal and external stakeholders and carried out on-site reviews of documentation, systems and processes.

"UK Power Networks has been seen to make commendable strides within the area of stakeholder engagement and consumer vulnerability. The organisation has made clear efforts to embed a stakeholder-centric culture across the business. Its monthly cross-functional Stakeholder Engagement Committee meetings, representation of the Executive team at all engagement events, and bespoke training sessions provided by Age UK and the Royal Association for the Deaf, represent just three examples of methods used to integrate stakeholder engagement across the organisation. UK Power Networks has demonstrated considerable diligence and social conscience in tailoring engagement means to the diversity of stakeholder needs. Furthermore, the organisation plays an active role in identifying innovative partnerships in an effort to better access vulnerable consumers, for example its partnerships with Parish Councils. The organisation has a comprehensive approach to monitoring and evaluating engagement outputs and outcomes. Its weekly and monthly insight packs represent a tool to share feedback on progress, identify key learnings and stimulate actions."

"UK Power Networks has a mature understanding of the true value that quality engagement can have for a diversity of stakeholders. The organisation clearly aligns with the AA1000SES (2015) and the core principles of the AA1000APS (2008). The organisation places a notable emphasis on inclusively identifying and responding to issues material to stakeholders."

Extract from AccountAbility audit

Auditing consumer vulnerability

When Frontier Economics conducted an audit of our consumer vulnerability approach for the trial process for Ofgem in 2015 they scored our approach as 'good' at 8.1 out of 10, second in the industry. In particular, regarding the embedding of our strategy, they commented, **"UK Power Networks empowers its staff to support vulnerable customers as required, tailoring this support to the individual customer need and circumstances, and allowing them to 'do the right thing'"**. We have used the feedback from this audit to further improve our services to vulnerable customers this year (see Part 3).



6 Our accreditations and external recognition

We achieved a 'Louder than Words' charter, which improves our service to deaf customers

'Louder than Words', from Action on Hearing Loss, is a nationally-recognised accreditation for companies striving to offer excellent levels of service and accessibility for customers and employees who are deaf or have a hearing loss. Around three million people in our area have some form of hearing loss, or one in six of the population, which is why it's important for us to address this. We have worked really hard over the last year to achieve this. We have looked at our full service offering to ensure we cater for customers who have hearing difficulties, such as training, our policies and communication channels. Action on Hearing Loss said: **"UK Power Networks has met and in some places exceeded the requirements for the Charter. There are some excellent practices taking place within the organisation and many different activities have been implemented. UK Power Networks staff have a high level of deaf awareness and will be providing an excellent level of service to deaf and hard of hearing customers and staff."**



We have taken significant steps to meeting the British Standard for Inclusive Service Provision (BS 18477)

We have made significant progress in training, planning and communication in relation to our vulnerable customer processes and we are working closely with BSI to progress this. The depth of our staff training and the range of channel choice we provide customers are key aspects of this. All of this work means we are on track to achieve the BS 18477 standard in 2016.

External recognition

We are really proud to get external recognition for the great work we have achieved over the last 12 months. We have won 17 awards this year and have been highly commended for four awards. Our biggest achievement was being awarded Utility of the Year for a second year as the most improved electricity distributor, with standout achievements in safety and reductions in the number and duration of power cuts.

Philip Everett, Director of Built Environment for the City of London said:
"UK Power Networks' streetworks team have been superb this year. The way they have worked in collaboration with ourselves and other key organisations within the Square Mile has been crucial to this success and they fully deserve this prestigious award."

The Construction News Awards judges said:
"UK Power Networks has clearly put a mechanism in place to drive improvement. The results are impressive. Wow. It was a great collaborative presentation with both client and supplier."

