

STAKEHOLDER ENGAGEMENT AND CONSUMER VULNERABILITY STRATEGIES AND HIGHLIGHTS OF THE YEAR

2016/17



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A year of progress

“There’s no denying we were disappointed with the outcome in last year’s Stakeholder Engagement and Consumer Vulnerability assessment. We had lessons to learn in order to lift our performance back into the leading pack in the industry, which is where our sights are set. From my perspective, we have come a long way in a relatively short time. We’re pleased to present that journey in this report.

The theme of our 2015-23 business plan is delivering more for less to our customers. The deal we struck with Ofgem for lower prices on behalf of customers means the ‘for less’ part of the equation is locked in. I’m delighted that we are also able to demonstrate, in the following pages, that the ‘delivering more’ part of the deal certainly applies to the important areas of engaging with our stakeholders and playing our part in supporting those people in our communities who need a bit more help for one reason or another.

I would point to three aspects of our programme that have been particularly significant in our drive to improve our performance for our stakeholders and customers in 2016/17:

1. Much better **stakeholder and customer insight** from better **data**
2. Much better **employee engagement**
3. Much more **external input** and constructive challenge to our thinking

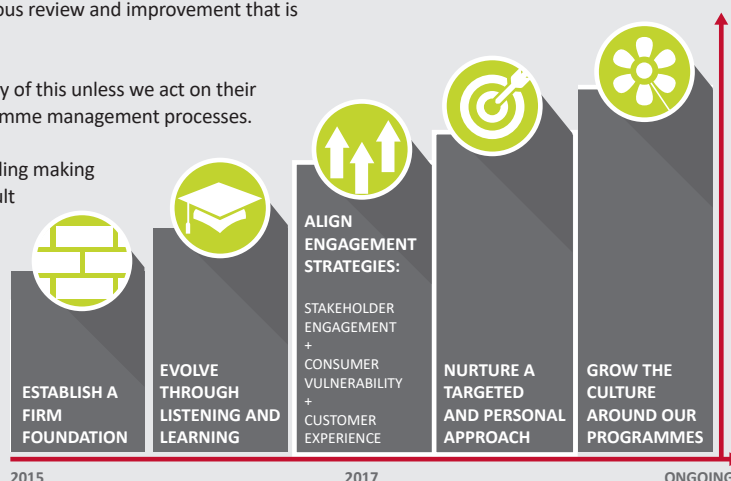
We set out to introduce step changes in all of these areas, and it is clear to me that our team has delivered. On the data front, we have laid the foundation for a much more informed, objective insight that will help us target our efforts into those areas where the need is greatest and/or where we can make the biggest impact. On the employee engagement side, our company-wide ‘Make Every Contact Count’ engagement campaign has taken us to a new level in terms of helping people right across our business see more clearly how they contribute to the overall mission. And by opening up our programme to challenge by external experts such as Deborah Jenkins and external auditors, we have the momentum of the cycle of continuous review and improvement that is keeping us in touch with best practice.

In the end, our stakeholders and customers don’t feel the benefit of any of this unless we act on their feedback. To that end, we have strengthened our reporting and programme management processes.

Our programme is having real impact on a broad range of fronts, including making ourselves more accessible, helping individual customers through difficult moments that arise for them in the course of us going about our business; spreading our safety messages and working with partners to combat fuel poverty.

I’m so proud of my fellow employees. Day in, day out they find ways to go the extra mile, sometimes under very challenging circumstances. We have a great story to tell. I’m grateful to you for taking time to read it.”

- PHIL JONES, PRESIDENT AND CHIEF EXECUTIVE



Highlights

SUPPORTED VULNERABLE CUSTOMERS <p>We conducted research with over 1,500 Priority Services Register (PSR) customers. Using these insights and Experian data, we mapped vulnerability in detail and enhanced and refocused some support activities (Page 6)</p>	HELPED CUSTOMERS BE BETTER PREPARED <p>Power Cut? Call 105 campaign has resulted in 34% of all our customer power cut calls being received through this number since its official launch in September 2016 (Part 2, Page 3)</p>	REWARDED LOCAL COMMUNITY ENERGY GROUPS <p>We launched our Community Energy Seed Fund for a third year, enhancing the £50,000 fund with the offer of our own energy expert advice available to winners (Part 2, Page 5)</p>	TAILORED OUR CONNECTIONS OFFER <p>We introduced a single point of contact for all connections customers. Within two months our connections customer satisfaction improved by 3% (Part 2, Page 7)</p>
SAFEGUARDED SMART METER CUSTOMERS <p>We introduced a process which allows our staff to carry out smart metering repairs on behalf of suppliers. Though extra work for us, our priority is for our customers to have electricity when they need it (Part 2, Page 5)</p>	WE MADE EVERY CONTACT COUNT <p>We launched our Make Every Contact Count engagement campaign to maximise the potential of every interaction with our customers. So far we've engaged 1,180 employees and 15,500 customers (Page 8)</p>	ENHANCED OUR CHILD SAFETY CAMPAIGN <p>Achieved our best-ever reach - 35,000 children face-to-face, 212,000 users of our educational website. Ninth year without any incidents of children in danger around our network (Part 2, Page 9)</p>	DEVELOPED OUR PARTNERSHIP WORKING <p>We worked with other utilities to support our shared vulnerable customers. As a result, Northern Gas Networks can sign up vulnerable customers to our PSR register (Part 3, Page 4)</p>

What we stand for

As a Berkshire Hathaway Energy company we share a common vision to be the best energy company in serving our customers, whilst delivering sustainable energy solutions.

Our six core principles guide our actions and decision making, and ensure that our business delivers sustainable energy solutions and balanced outcomes for our customers. We know we provide an essential service to society and we take that responsibility very seriously.

Our industry is experiencing wide reaching change such as our move from Distribution Network Operator to Distribution System Operator and the introduction of Smart Metering. It is now more important than ever that we actively listen to our stakeholders and customers, and effectively fold in their views both within our day-to-day operations and also in our longer term planning. This ensures that we stay focused on meeting their needs by providing safe, reliable, affordable energy services whilst preparing to meet the energy needs of the future.

Our vision, our culture and our core principles



Key activities this year

- Commissioned an independent review of our stakeholder activities and used the outcomes to improve our Stakeholder Engagement Strategy (Page 3)
- Conducted annual customer priorities research and vulnerable customer research to inform our activities (Pages 5-6)
- Used Experian data to enhance our stakeholder mapping and subsequently deliver targeted and personalised campaigns to meet customer needs (Pages 6-7)
- Empowered our people to embrace stakeholder engagement through the Make Every Contact Count campaign (Page 8)
- Delivered measurable programmes and campaigns to support our stakeholders through all areas of our Business Plan (Part 2)



Engagement priorities

This year a fundamental priority was to further **embed Stakeholder Engagement** across our Business Plan areas and integrate it within our planning processes, described in Part 2.

We understand our responsibilities go way beyond our role as custodians of the electricity distribution infrastructure, both now and for future generations. We have an important societal responsibility to provide support and **build capacity** within our communities, and with those who need additional assistance.

This year we have lifted the importance of our **Social Pillars** (see right) which are at the heart of our Consumer Vulnerability Strategy. We have **expanded our understanding of vulnerability and the hard to reach**, enhancing services for vulnerable customers and ensuring our teams consider vulnerability and social responsibility in everything they do. This priority has been supported by the introduction of the **Make Every Contact Count engagement campaign** described on Page 8 and in Part 3.

To achieve our vision, we have actively sought **collaboration opportunities** to build expertise, share knowledge and good practice. Examples include our Infrastructure North cross-utility partnership (Part 3, Page 7), and our work with other Distribution Network Operators in joint projects such as the successful introduction of the **105 Power Cut** number described in Appendix 1. We highlight collaborative examples throughout Parts 2 and 3.

Our Social Pillars

Our five Social Pillars underpin our social programme. Developed in 2015/16 with advice from our Social Issues Expert Group, the Pillars guide our approach to social and corporate responsibility. This framework provides the lens in which to review our plans and the services we provide, reflect upon the potential social impact and then seek opportunities in the initiatives and enhancements we undertake. This year, feedback from stakeholders has resulted in our elevating their importance. Each Pillar has clearly defined social goals which anchor our overall Consumer Vulnerability and Corporate Social Responsibility (CSR) activities, partnerships and initiatives together, giving real depth to CSR in the business.

Throughout Parts 2 and 3 we highlight those examples that have a relationship to our Social Pillars with an icon of the corresponding Pillar.



VULNERABILITY

27.6% of our households have a person with a long-term health problem or disability



AFFORDABILITY

36.6% of our households have no adults in employment



COMMUNITY

60% of our Community Investment Areas (CIAs) suffer from at least two dimensions of deprivation e.g. health and disability



EDUCATION

26% of our customers aged 16+ have no qualifications



ENGAGEMENT

2,000 volunteer days available to support our social objectives

Our Social Pillars are explained in more detail in our Part 3 Submission, along with how they are applied in our approach to **Consumer Vulnerability** and in accessing the **hard to reach**.

Our engagement strategy

We employ a robust approach to the way stakeholder feedback informs our decisions. We use this feedback to continually develop and evolve, delivering to the high standards our stakeholders demand and our customers need, all within budget.

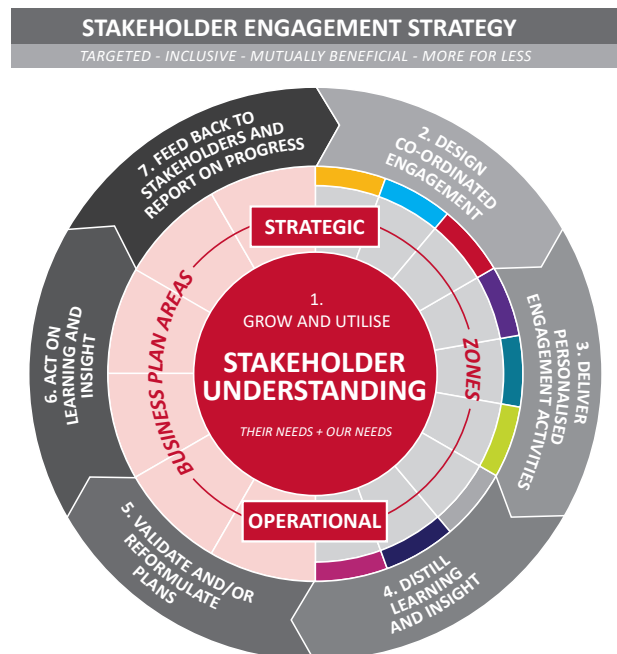
Stakeholder Engagement

To support a more systematic engagement approach, we have refreshed our **Stakeholder Engagement Strategy** and are developing our **toolkit** in line with this. We have identified ways in which we can make better use of existing management and reporting processes to capture engagement activity holistically and efficiently, and using our Customer Relationship Management system. This enables cohesive and common ways of working that support our people, integrates the process and in turn delivers mutual benefits for our business and stakeholders.

Our approach continues to align with the principles of the Stakeholder Engagement Standard (AA1000), which we are assessed against annually.

This year we have also drawn on valuable external perspectives, for example a review undertaken by Deborah Jenkins, a consultant with extensive cross-industry expertise. Deborah's recommendations, together with other stakeholder feedback, brought challenge, insight and good practice to help us capitalise on our strengths and swiftly address our areas of development.

We have therefore built upon our engagement strategy methodology (see diagram) and strengthened the roles of our internal and external stakeholder groups. We have also introduced improvements to how we develop and manage our delivery programmes (see Page 9).

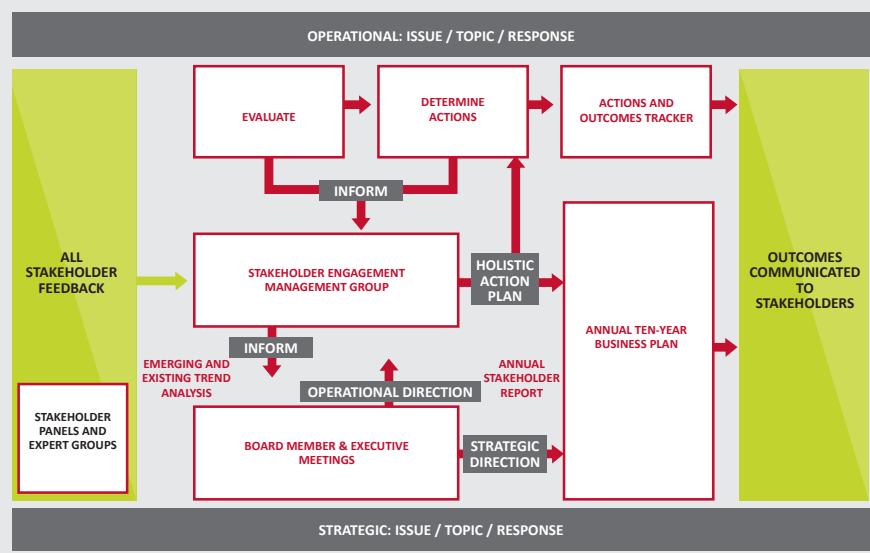


Developing our Stakeholder Engagement Strategy

Our Stakeholder Engagement Strategy undergoes an annual internal review. This year, the outcomes of Deborah Jenkins' independent review have also driven improvements. Our framework has a number of components, whereby we:

- Have a **vision** and desired **outcomes** for Stakeholder Engagement for particular areas of our Business Plan and associated activities
- **Map our stakeholders** using our customer relationship management system data and agreed criteria, based on interest and influence
- **Prepare**, including logistics and confirmation of tactics, continuing to sense-check that engagement will enable continued dialogue and influence decision-making
- **Conduct the engagement**, managing expectations, recording and documenting the activity including all actions (decisions, actions, proposals, recommendations), providing transparent feedback to stakeholders
- **Develop an action plan** of the next steps and further opportunities, **measure** and **reflect** on the outcomes and consider what we have learnt that we can use to (a) share best practice; and (b) evolve and improve further

How stakeholder feedback influences decision making



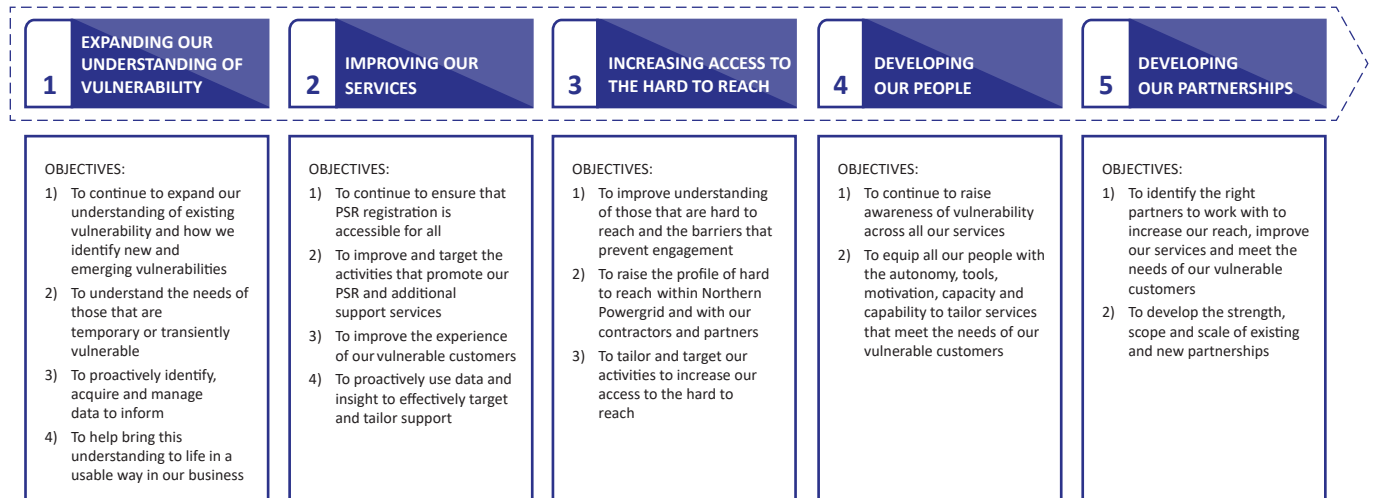
What's changed in 2016/17?

We are continually looking at ways to improve how we deliver consistent, tailored and effective engagement whilst capturing the feedback to inform decision making and drive change. This year we have:

- Improved how we use existing reporting mechanisms to capture activity, its impact and review performance – further embedding engagement reporting into business as usual
- Ensured each stakeholder group is engaged in accordance with an annual engagement plan and the review aligned to business priorities, with clear objectives, strategies, key messages, activities and accountabilities
- Developed the overarching strategy to give clear line of sight to how engagement always links with our Business Plan
- Strengthened our project and programme management approach to ensure a robust and efficient way of learning from and embedding new initiatives as part of the decision making process (see Page 9)
- Used our own customer data and external sources to improve our stakeholder mapping and understanding of the stakeholders in our regions (see Pages 5-7)
- Improved our existing channels and introduced new engagement channels to give our stakeholders every opportunity and encouragement to engage (see Page 6)

Our Consumer Vulnerability Strategy

Our Consumer Vulnerability Strategy is grouped into five key areas of focus. These ensure that each part of the organisation, and the multi-disciplinary teams that deliver our plans, have clear objectives and are supported by robust and simple reporting structures and governance. We will go into further detail around each of these five areas in Part 3.



Evidence from stakeholders and experts

We continually review the effectiveness of our engagement strategy, channels and methodologies. Our external and internal stakeholder groups and expert panels – established for five years – bring ideas, challenge and direction to shape our current and future thinking, and effectively tailor our approach.

Our Social Issues Expert Group (SIEG) meets quarterly and comprises a team of vulnerability specialists who steer our Consumer Vulnerability and wider social programmes (see Part 3).

Our expert Stakeholder Engagement Panel (SEP) is represented by 25 senior leaders in the 23 member organisations (see Part 2). The group meets quarterly and provides input into regional and policy developments, consultations, partnering and influencing opportunities and blue sky thinking. This year we have added regular discussions about our transition to Distribution System Operator (DSO) status and how it could impact our current and future activity.

For the first time, we have also held additional interactive workshops and in-depth telephone interviews with members of these groups, for example the review of our Annual Stakeholder Report 2015-16 (SLC50 regulatory submission). This ensures they have a transparent view of our business performance.

OUTCOMES

SIEG recommendations fed into how we identify, reach, engage and support the hard to reach (Part 3, Page 5).

The SEP advised how we could respond to the DSO transition in a way that protects consumer interests.

Improvements were identified for the SLC50 2016-17 report, for example how we prioritise our content, and areas where we could learn from other network operators and other industries.

Contributions totalled **40** actions and **31** outcomes from discussions on energy policy and constrained networks, innovation, stakeholder research, customer communications, website transformation and agricultural safety.

Online engagement

We gain daily consumer insights through online engagement, via our Online Community portal and our social media channels. The Community enables us to carry out real-time research and hold discussions on topics (15 this year) that impact customers. This year, we have improved this important engagement tool, such as the ability to hold discussions, polls and surveys, and provide a more personalised news area for members.

OUTCOMES

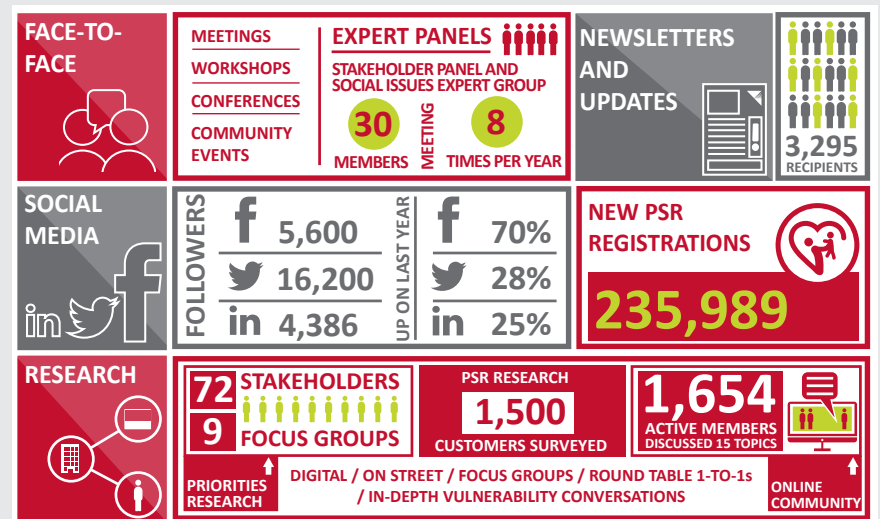
Online Community feedback shaped the content of our Flood Guidance leaflet.

Power cut discussions broadened our insights.

Our social media followers have increased significantly this year (see diagram); next year we will place additional focus on our LinkedIn and Instagram presence.

Tailored engagement channels

This snapshot of our engagement channels demonstrates the breadth of channels and methodologies we have used this year.



Understanding more about our stakeholders

We serve more than eight million people across nine operational zones, which we classify as urban, industrial or rural. Our activities and business operations vary by zone type to best meet the needs of the communities we serve.

This year, we have continued to deepen our understanding of stakeholders, vulnerable customers and our business and industrial stakeholders in our different zones. These next three pages describe how we have:

- Commissioned stakeholder priorities research
- Commissioned and analysed vulnerable consumer data from Experian
- Conducted research with 1,500 Priority Services Register customers and in-depth interviews with 42 customers
- Commissioned and analysed business and industrial classification data from Experian

We then describe how we have used these insights to enhance our existing Stakeholder Engagement programmes and develop new ones.



Expanding our understanding of stakeholder priorities

As well as the breadth and depth of engagement and feedback we get from our tailored and targeted engagement, it is important that we regularly check in with a broad, representative group of our stakeholders to make sure that overall our priorities and delivery of our Business Plan are on track.

To inform the level of priority in our 2016/17 Business Plan, we commissioned a zone by zone 'priorities and willingness to pay' research activity. This has enabled us to understand our region's broad points of view and appreciate any differences in priorities between customers in our rural, industrial and urban zones.

We found that, regardless of zone, customer priorities and willingness to pay were broadly similar, with **'Reliability and availability'**, **'Affordability'**, **'Innovation and the future'** being the highest priorities. This reassures us that our priorities largely align, although we use the results indicatively, as in reality we spend a lot more than 27.2% of our budget on reliability and availability (keeping the lights on).

Stakeholder priorities

PRIORITY	% OF BUDGET CUSTOMERS ALLOCATED TO THEIR PRIORITIES
Reliability and availability	27.2
Affordability	10.3
Innovation and the future	9.6
Safety for both customers and staff	7.7
Looking after vulnerable customers	7.1
Better emergency resilience	6.7
Employability, workforce renewal and STEM	6.2
Cutting carbon footprint and other environmental impacts	5.9
Working closely with communities	5.2
Helping customers to be more aware of Northern Powergrid	4.0
Making it easier for customers to get in touch	3.4
Gaining more customer data	3.3

When it came to the separate question of **willingness to pay** extra for services, nearly 20% of customers stated they would be willing to pay more for **'Reliability and availability'**, **'Innovation and the future'** and **'Looking after vulnerable customers'**.

"The respondents were very happy that Northern Powergrid wanted to learn about their own personal experiences and that they had given them a platform to share their views."

- MUSTARD RESEARCH

Our Business Plan

Here, we demonstrate how our Stakeholder Engagement activities are aligned with our Business Plan, see Part 2 for more detail.

CORPORATE AND SOCIAL RESPONSIBILITY <ol style="list-style-type: none"> 1. Enhancing our vulnerable customer support 2. Volunteering keeps us moving ahead 3. Educating future generations 	RELIABILITY AND AVAILABILITY <ol style="list-style-type: none"> 1. Creating a more reliable network 2. Enabling system resilience 3. Tailored engagement and communications 	ENVIRONMENT <ol style="list-style-type: none"> 1. Bringing our environmental policy to life 2. Innovation and collaboration to deliver environmental improvement 	SUSTAINABLE NETWORKS <ol style="list-style-type: none"> 1. Local energy 2. Smart metering 3. Collaboration in innovation
CONNECTIONS <ol style="list-style-type: none"> 1. Putting our customers at the heart of the process 2. Promoting competition 3. Developing innovative flexible solutions 	CUSTOMER SATISFACTION <ol style="list-style-type: none"> 1. Improving customer journeys 2. Maximising customer satisfaction 3. A digital response to diverse customer needs 	SAFETY <ol style="list-style-type: none"> 1. Team Powergrid safety 2. Stakeholder, partner and public safety 3. Leading cyber safety 	SHAPING THE FUTURE <ol style="list-style-type: none"> 1. Affordability 2. Influencing national energy policy 3. Securing the future of the North 4. Future consumers

Understanding our vulnerable customers

27.6%

of the households in our region have at least one person with a long-term health problem or disability

This year we have used insights and feedback from our customers to further shape our Priority Services programme. We carried out research with over 1,500 existing PSR customers

as well as 42 in-depth interviews covering all vulnerabilities, which has helped us to start building and delivering a personalised approach for our vulnerable customers. The insight has influenced how we view the needs of those that are vulnerable, especially during critical situations like a power cut. It has helped us understand much more about emotional state changes, and identified the period of 3-6 hours during a power cut as being critical to maintaining wellbeing, independence and a feeling of being supported. Specifically, vulnerable customers told us their three main concerns were light, heat and food. Anything else was seen as beyond what was necessary, or sometimes even viewed as a waste. Further details can be found in Part 3.

► OUTCOMES

The results of this research have led to:

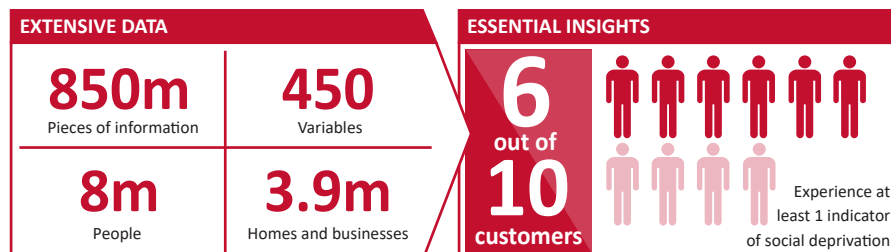
- A review of all our partnership activities to target the support we provide at critical times
- Investing in areas which provide the right support at the right time
- Achieving BSI Consumer Vulnerability Standard external accreditation
- Developing our vulnerability model to help us to target our support and community investment

Targeting vulnerable communities

The region we serve suffers the highest levels of vulnerability and social deprivation of any distributor in the country. Building on Ofgem's definition of a vulnerable customer we have developed a bespoke model to highlight and more precisely define vulnerability across our licence areas and region.

We worked with Experian to develop a comprehensive vulnerability model. The model uses data from the latest indices of multiple deprivation, financial indicators such as fuel poverty, household affluence, and financial stress.

Our vulnerability model



► OUTCOMES

This analysis has allowed us to:

- Invest effectively in activities which support the most vulnerable in our communities
- Define nine Community Investment Areas – one in each of our operational zones – to target with positive outcome programmes, tailored to the needs of the most vulnerable within that community
- Attribute a vulnerability score against each of our Meter Point Administration Number (MPAN) registrations, across our region. Our goal now is to link this vulnerability analysis tool with our customer records to enable real-time quality conversations with our customers based on their projected potential for vulnerability, a prime example of Make Every Contact Count (Page 8) in action

Community Investment Areas

Our **vulnerability mapping tool** has enabled us to identify the nine most vulnerable communities in each of our operational zones. This has given our operational teams valuable information in planning and delivering services. The use of Experian MOSAIC data has provided a richer picture of customers within these communities, and has shaped how we select and target appropriate support programmes (using our Programme Evolution Process described on page 9).

ZONE

1. Humber Estuary
2. North Lincolnshire
3. Northumberland
4. South Yorkshire
5. Teesside
6. Tyne and Wear
7. West Yorkshire
8. Yorkshire Dales
9. Yorkshire Moors and Wolds

COMMUNITY INVESTMENT AREAS

Scarcho, Grimsby
Gainsborough East, West Lindsey
Tindale, County Durham
East Herringthorpe, Rotherham
Grangetown, Redcar
Blackhill, Gateshead
Seacroft, Leeds
Colburn, Richmondshire
Barrowcliff, Scarborough

Our nine Community Investment Areas, one per operational zone



Targeted programmes in our Community Investment Areas included a Hidden Heroes bus campaign, the artwork for which is seen here. The campaign was used on the back and interiors of 88 buses, and had a potential reach of 4.25 million people over an eight-week period.



Understanding our business and industrial stakeholders

We have built up a more in-depth picture of the diverse business communities operating within our operational zones. Using Experian industrial classification code data, segmented by postcode, we have enhanced our knowledge of the differentiating factors between the businesses operating in our regions when compared to those in other regions.

We also used existing relationships with stakeholder organisations to help us further understand priorities and concerns of large groups across our region. These included the Federation of Small Businesses and the National Farmers Union.

As a result, we can now more fully identify and target specific business stakeholders. For example, we have a high proportion of agricultural stakeholders in our regions (compared to other regions). Learning from

our previous Business Plan engagement, we know that this can be a hard to reach group of stakeholders to engage due to the nature of their work and their capacity, particularly within the working week.

This year, we enhanced our agricultural safety campaign by exhibiting at more agricultural shows, expanding our social media safety campaign, and by featuring in Farmers Mart magazine.

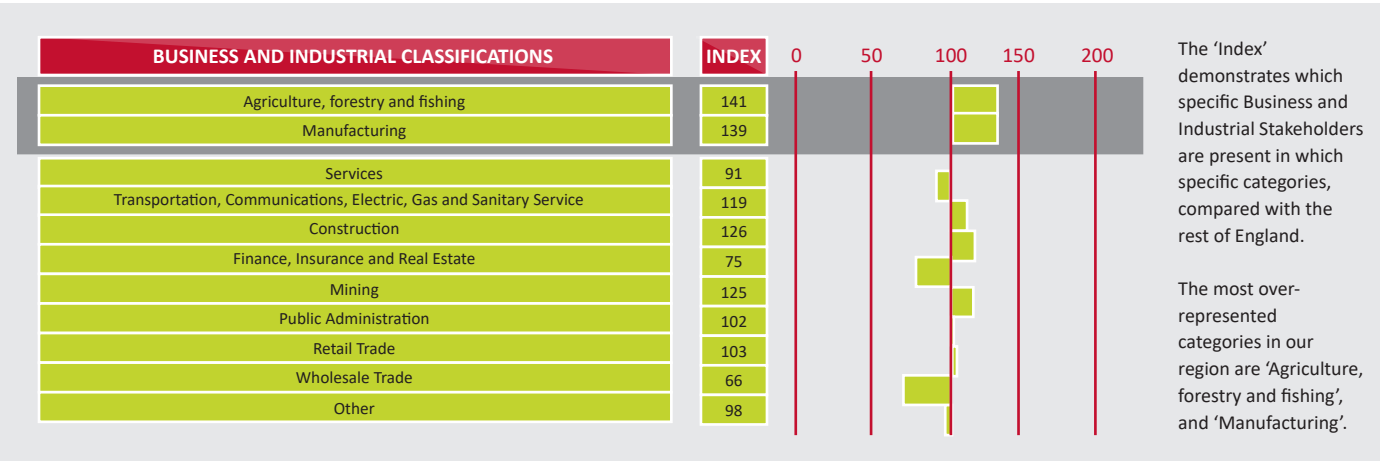
Our Chief Executive Phil Jones is Regional Council Chair of the Yorkshire and Humber CBI providing a voice for business at a regional, national and international level. We are also active in the Major Energy Users Council and have ongoing dialogue with large load users as part of our business as usual activity. Our resilience work with Small and Medium-sized Enterprises (SMEs) is described in Part 2.



OUTCOMES

Increased our reach to the agricultural sector to 280,000. We are pleased to see a drop in strikes on overhead cables by agricultural vehicles for the second year running (more in Part 2).

We have also used this data to sense-check that a breadth of businesses are represented in our stakeholder activities, supporting our Business Plan and our role of influencing energy policy.



Spotlight on...One of our key stakeholder groups: Rural communities and agriculture

YOUNG FARMERS

Electrical safety and engagement in the future of energy

LOOK UP, STAY SAFE CAMPAIGN

Reached **280,000** people and continued the trend of reduced strike rates on overhead cables

AGRICULTURAL SHOWS

Promoted safety messages and awareness of Northern Powergrid via agricultural shows

Scaled up from **3** in 2016/17 to **8**

VOLUNTEERING

130 employee volunteers promoted agricultural safety awareness

AREAS OF OUTSTANDING NATURAL BEAUTY AND NATIONAL PARKS

2x Underground more cables than any other DNO!

NATIONAL FARMERS UNION

Distributed safety material and promoted safety messages to regional members via the NFU

DIGITAL EXPERIENCE ENGAGEMENT

Face-to-face engagement of **5** rural and remote communities to support a needs assessment

RURAL POWER CUT SUPPORT

Fleet telematics introduced ensure the closest available engineer is always deployed



Embedding engagement in our business

Customer focus is at the heart of our culture, with every member of Team Powergrid taking personal responsibility for our customers and the services we provide. To deliver a simple message that resonates with our teams, stakeholders and customers, this year we developed our Make Every Contact Count engagement campaign.

Making Every Contact Count

The Make Every Contact Count (MECC) engagement campaign has a simple premise: *We ensure that every time we talk to you, every time we listen to you and every time we solve your problems, we will do our very best to help YOU and provide a positive experience...we strive to always do the right thing.* To help bring this to life, we developed two clear and consistent measureable outcomes: 1) extending our reach, 2) building trust in us.



The MECC campaign helps Team Powergrid deliver incremental improvements and increased consistency in our engagement and customer service interactions. The outcomes of Deborah Jenkins' independent review provided an external validation to this campaign, which was in development at the time.

Creating our Pledges

Our customer insight, gathered through targeted research, tells us that our customers need, and ask for, 14 fundamental requirements. From these, we have developed four Pledges to act as a guide for how we engage and serve our customers, and each other.



Launching Make Every Contact Count

The MECC campaign was launched to our top 200 leaders, key contractors, external stakeholder panel members and invited guests at a key leadership event in December. This was followed by a series of roadshows, with members of our executive team, attended by 1,180 staff across key operational sites. Staff made a personal commitment to our Pledges (see left) and we shared improvements in how we support Priority Services Register customers (see Part 3).

The roadshows will be followed up with further communications and additional training about our evolved understanding of Consumer Vulnerability. This will include skills and tools to help frontline staff more effectively identify those who are **hard to reach**, and to support our **vulnerable customers**.

To introduce MECC to our customers, we ran a targeted engagement campaign called **Hidden Heroes**. These unsung heroes of Team Powergrid appeared on buses (see picture on Page 6), and in front of **15,500** customers at venues within our Community Investment Areas, such as Gainsborough's market square. The Heroes explained our strategy and promoted our Priority Services Register. We are pleased to welcome 235,989 new PSR customers this year.

Underpinning our engagement campaign

WE ARE THE 5TH EMERGENCY SERVICE

Born from an increasing reliance on power in every person's day-to-day life



WE ARE THE HIDDEN HEROES

No matter what the circumstances we are there 365 days a year, understated, no fuss, delivering what we promise



DELIVERING POWER, NOT JUST RESPONDING TO POWER CUTS

Helping our teams see the longer term possibilities and the wider role they play in our region



CONTACT WITH US CAN BE ONCE IN A GENERATION

Make a positive difference and get it right first time



WE ALL PLAY A ROLE

No matter what role a person performs in our organisation, customers expect us to be capable and willing to solve their problems



To help unify our Stakeholder Engagement, Consumer Vulnerability and Customer Experience strategies in a way that rings true for the day-to-day realities of our frontline staff, we created this set of emotive observations. These articulate how our stakeholders and customers perceive us.

The observations were created from various insights, including an analysis of existing research, the Broad Measure of Customer Satisfaction (BMCS) results and input from our external panels.

Embedded within MECC, these five observations help our teams to evolve how we understand, communicate and respond to our stakeholders and their personal needs. This serves to increase their flexibility in delivering the right messages and services to the right people. They also support a culture of engagement flowing more widely across and through our organisation.

Delivering impacts and outcomes

Our key measure of success is the quality of outcomes and the resulting positive impact this has for our stakeholders. Below we highlight some key achievements from 2016/17, detailing which area(s) of our Business Plan the activity supports, the key stakeholders engaged, and at which stage of the programme development process the activity currently sits.

Our programme development process works to deliver activities that are scaled up only when we know they will make a tangible difference. The process has five stages. The first two – **(1) conceive and prototype** and **(2) start up** – allow us to trial and test our ideas with targeted groups before we **(3) scale up** and **(4) embed** them. Once embedded, we can continue to **(5) enhance** and then transition to business as usual.

Groundwork – Green Doctor <p>Targeted households experiencing fuel poverty: energy efficiency fuel switching; referred to specialist support; trained frontline workers and volunteers to establish 'Green nurses'.</p> <p>350 households reached 1,621 energy measures installed £328.57 average benefit per household</p> <table> <tr> <th>STAGE</th><th>BUSINESS PLAN</th><th>STAKEHOLDERS</th></tr> <tr> <td>SCALE UP</td><td>CSR INNOVATION AFFORDABILITY</td><td>INNOVATION SECTOR CONSUMERS VULNERABLE CONSUMERS</td></tr> </table>	STAGE	BUSINESS PLAN	STAKEHOLDERS	SCALE UP	CSR INNOVATION AFFORDABILITY	INNOVATION SECTOR CONSUMERS VULNERABLE CONSUMERS	Look up, Stay Safe <p>A partnership with – NFU, Farm Safety Partnership, vehicle manufacturers, land developers and agricultural colleges - promoted power safety to this key rural stakeholder group.</p> <p>280,000 customers reached 8,000 digital interactions as a result 2nd year continued safety incidents reduction</p> <table> <tr> <th>STAGE</th><th>BUSINESS PLAN</th><th>STAKEHOLDERS</th></tr> <tr> <td>EMBED</td><td>SAFETY RELIABILITY & AVAILABILITY ENVIRONMENT</td><td>RURAL COMMUNITIES AND AGRICULTURE</td></tr> </table>	STAGE	BUSINESS PLAN	STAKEHOLDERS	EMBED	SAFETY RELIABILITY & AVAILABILITY ENVIRONMENT	RURAL COMMUNITIES AND AGRICULTURE	My Green Investment <p>Taught children to be 'energy literate', critical to tackling energy efficiency, fuel poverty and challenges of climate change.</p> <p>21 schools in fuel poor areas reached 1,350 children and their families reached £1 = £7.96 return average savings generated</p> <table> <tr> <th>STAGE</th><th>BUSINESS PLAN</th><th>STAKEHOLDERS</th></tr> <tr> <td>ENHANCE</td><td>CSR AFFORDABILITY</td><td>CHILDREN TEACHERS FAMILIES</td></tr> </table>	STAGE	BUSINESS PLAN	STAKEHOLDERS	ENHANCE	CSR AFFORDABILITY	CHILDREN TEACHERS FAMILIES
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Ahead Partnership <p>Developed young peoples' skills, knowledge and aspirations towards work, enterprise and Science, Technology, Engineering and Mathematics (STEM subjects).</p> <p>10 events successfully delivered 21 schools supported 2,768 beneficiaries reached</p> <table> <tr> <th>STAGE</th><th>BUSINESS PLAN</th><th>STAKEHOLDERS</th></tr> <tr> <td>EMBED</td><td>CSR AFFORDABILITY</td><td>CHILDREN</td></tr> </table>	STAGE	BUSINESS PLAN	STAKEHOLDERS	EMBED	CSR AFFORDABILITY	CHILDREN	Digital response to diverse needs <p>Developed the digital experience to provide tailored support to different stakeholders, community, customers, especially those that are vulnerable and hard to reach.</p> <p>23,000 active users with BrowseAloud 85,000 power cut enquires via new power cut map 450 stakeholders consulted</p> <table> <tr> <th>STAGE</th><th>BUSINESS PLAN</th><th>STAKEHOLDERS</th></tr> <tr> <td>START UP</td><td>CSR RELIABILITY & AVAILABILITY CUSTOMER SATISFACTION</td><td>CONSUMERS & VULNERABLE CUSTOMERS HARD TO REACH</td></tr> </table>	STAGE	BUSINESS PLAN	STAKEHOLDERS	START UP	CSR RELIABILITY & AVAILABILITY CUSTOMER SATISFACTION	CONSUMERS & VULNERABLE CUSTOMERS HARD TO REACH	Tailored customer journeys <p>Identified the needs of customers during planned and unplanned power cuts, including the needs of those that are vulnerable and how these change over the duration of a power cut.</p> <p>42 vulnerable customers consulted 1,500 staff trained in new guidance 41% to 77% rise in engagement scores</p> <table> <tr> <th>STAGE</th><th>BUSINESS PLAN</th><th>STAKEHOLDERS</th></tr> <tr> <td>EMBED</td><td>CSR RELIABILITY & AVAILABILITY CUSTOMER SATISFACTION</td><td>CONSUMERS & VULNERABLE CONSUMERS</td></tr> </table>	STAGE	BUSINESS PLAN	STAKEHOLDERS	EMBED	CSR RELIABILITY & AVAILABILITY CUSTOMER SATISFACTION	CONSUMERS & VULNERABLE CONSUMERS
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Community Energy <p>Enhanced the Community Energy Seed Fund in its third year, introduced mentoring, feedback, and PSR promotion, building capacity around energy creation, education and efficiency.</p> <p>Specialist support and guidance for entrants improving quality of project delivery Jointly produced guide to engage and inform communities about network innovation</p> <table> <tr> <th>STAGE</th><th>BUSINESS PLAN</th><th>STAKEHOLDERS</th></tr> <tr> <td>ENHANCED</td><td>SUSTAINABLE NETWORKS INNOVATION</td><td>CSR INDUSTRY PARTNERS COMMUNITIES</td></tr> </table>	STAGE	BUSINESS PLAN	STAKEHOLDERS	ENHANCED	SUSTAINABLE NETWORKS INNOVATION	CSR INDUSTRY PARTNERS COMMUNITIES	Don't be left in the dark <p>A multi-channel campaign to promote 105, our PSR and key events. This included support through stakeholders such as Local Resilience Forums and hard to reach support groups.</p> <p>3.5m online impressions 3.8m customers reached 34% of all power cut calls are now via 105</p> <table> <tr> <th>STAGE</th><th>BUSINESS PLAN</th><th>STAKEHOLDERS</th></tr> <tr> <td>SCALE UP</td><td>RELIABILITY & AVAILABILITY SUSTAINABLE NETWORKS CUSTOMER SATISFACTION</td><td>CONSUMERS & VULNERABLE CONSUMERS</td></tr> </table>	STAGE	BUSINESS PLAN	STAKEHOLDERS	SCALE UP	RELIABILITY & AVAILABILITY SUSTAINABLE NETWORKS CUSTOMER SATISFACTION	CONSUMERS & VULNERABLE CONSUMERS	Heat map investment reports <p>Feedback from local authorities led to increased sharing of our planned infrastructure investments and key contacts, also maximising opportunities for stakeholders' developments.</p> <p>Investment map to aid transparency of planned works Operational Zones - Information pack / bespoke localised investment information</p> <table> <tr> <th>STAGE</th><th>BUSINESS PLAN</th><th>STAKEHOLDERS</th></tr> <tr> <td>SCALE UP</td><td>RELIABILITY & AVAILABILITY SUSTAINABLE NETWORKS CUSTOMER SATISFACTION</td><td>LOCAL AUTHORITIES</td></tr> </table>	STAGE	BUSINESS PLAN	STAKEHOLDERS	SCALE UP	RELIABILITY & AVAILABILITY SUSTAINABLE NETWORKS CUSTOMER SATISFACTION	LOCAL AUTHORITIES
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Regional business and system resilience <p>Continued work with Local Resilience Forums (LRFs) to support improvements in emergency planning; developed weather impact data with the Met Office; gained SMEs insight - how well prepared for a power cut?</p> <p>New flood risk infrastructure plans with Hull City Council MET Office informed communications Produced our SME resilience guide</p> <table> <tr> <th>STAGE</th><th>BUSINESS PLAN</th><th>STAKEHOLDERS</th></tr> <tr> <td>ENHANCE</td><td>ENVIRONMENT STRATEGIC ENGAGEMENT SUSTAINABLE NETWORKS</td><td>LOCAL REGIONAL & NATIONAL POLICY PARTNERS LOCAL BUSINESSES</td></tr> </table>	STAGE	BUSINESS PLAN	STAKEHOLDERS	ENHANCE	ENVIRONMENT STRATEGIC ENGAGEMENT SUSTAINABLE NETWORKS	LOCAL REGIONAL & NATIONAL POLICY PARTNERS LOCAL BUSINESSES	Workforce of the future <p>Worked with DNO, industry and public sector stakeholders to encourage young people into the energy and utilities sector through apprenticeship, cyber apprenticeship, education and volunteering programmes.</p> <p>185,000 people reached nationally 2,200 engaged 11,000 students reached through volunteering</p> <table> <tr> <th>STAGE</th><th>BUSINESS PLAN</th><th>STAKEHOLDERS</th></tr> <tr> <td>SCALE UP</td><td>STRATEGIC ENGAGEMENT SAFETY</td><td>INDUSTRY PARTNERS, YOUNG PEOPLE EMPLOYEES</td></tr> </table>	STAGE	BUSINESS PLAN	STAKEHOLDERS	SCALE UP	STRATEGIC ENGAGEMENT SAFETY	INDUSTRY PARTNERS, YOUNG PEOPLE EMPLOYEES	Single point of contact <p>After a prototype project in two of our operational zones, we rolled out a single point of contact for connections customers in application and delivery across all nine zones.</p> <p>3% uplift in customer satisfaction scores in only two months – the most improved in the industry</p> <table> <tr> <th>STAGE</th><th>BUSINESS PLAN</th><th>STAKEHOLDERS</th></tr> <tr> <td>SCALE UP</td><td>CONNECTIONS</td><td>CONNECTIONS CUSTOMERS</td></tr> </table>	STAGE	BUSINESS PLAN	STAKEHOLDERS	SCALE UP	CONNECTIONS	CONNECTIONS CUSTOMERS
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Continual learning and improvement

We proactively seek out opportunities to learn from others. Using external experts and through wider collaboration we can better ensure that we are doing the right thing for our business and our stakeholders, keeping up with best practice and targeting our resources in the right places. Here are some examples from this year.

Maintaining the AA1000 Stakeholder Engagement standard

We continue to strive to maintain the standards set out in the Stakeholder Engagement Standard (AA1000), for which we are voluntarily audited every year, rather than the two years required. We have already incorporated recommendations from our previous audit such as a Stakeholder Engagement governance refresh and improved targeting of the social programme across the nine zones. This important standard remains a key aspect of demonstrating the strength of our Stakeholder Engagement activities and outcomes.



Assessing our approach to Stakeholder Engagement

The Deborah Jenkins Review: a review of our current approach by Deborah, an NHS leader from our region, and recognised expert in Stakeholder Engagement. Results from the review have been fed into our Stakeholder Engagement Strategy (Page 3) and reinforced our Make Every Contact Count campaign (Page 8).



This review helped to inform and shape both our way of working around Make Every Contact Count and our evolved Stakeholder Engagement approach

"During the summer of 2016 I had 23 extensive conversations with staff members and external partners to gather their feedback on Northern Powergrid's current approach to Stakeholder Engagement, and more widely to discuss their thoughts on how the company might develop stronger partnerships to meet business and social objectives both internally and externally. Both staff and partners showed great goodwill towards Northern Powergrid and a recognition of the efforts the Stakeholder team were putting into creating good relations and engagement. I was very much struck by the intellect and creativity both of many of the managers I interviewed, and by the calibre and enthusiasm of the external partners. There was a common eagerness to connect more with each other and to seek more opportunities to share expertise and thinking in an increasingly complex business and social environment."

- DEBORAH JENKINS

BSI: Assessing our approach to Consumer Vulnerability



In February, we were successfully assured against the **BSI standard**. No issues were identified and only five specific improvements were highlighted for our consideration, which we are already reviewing. (See Part 3, Page 10).

"Northern Powergrid should congratulate themselves on the work undertaken to deploy and implement the requirements of BSI 18477:2010 throughout the business processes covered at the audit. Throughout the assessment it was evident that all employees within the shared services and operational activities are focused on their customers, and in particular identifying and supporting the needs and expectations of vulnerable customers."

There was a good understanding of the demographic and geographical challenges within the regions of the business. All employees were passionate and focused on supporting their vulnerable customers, through a continuity of approach and messaging to the customer."

- BSI AUDITOR

Louder than Words



In March, we were awarded the Louder than Words™ charter. This followed a successful assessment by Action on Hearing Loss against their 10-point charter. Many areas of good practice were highlighted around how we support this large group of vulnerable customers (hearing loss affects 11 million people in the UK). See Part 3, Page 10.

"All staff were found to be most helpful and welcoming and were obviously keen to offer people who are deaf or have hearing loss a good quality service."

- ACTION ON HEARING LOSS AUDITOR

Zero Waste Awards for Excellence in Recycling and Waste Management:



The awards recognise leadership and actions by those who are working hard to create a more sustainable and resourceful economy by embedding ambitious waste reduction practices into the heart of their organisations. Northern Powergrid won silver in 2016. We are going for gold in 2017!

Shared good practice and collaboration

Appendix 1 sets out our collaborative work and shared learning with other DNOs. Through wider industry relationships with energy suppliers, we have ensured the accuracy of PSR needs codes and improved our smart metering processes for vulnerable customers. For more on partnerships within our social and Consumer Vulnerability programmes, see Part 3.

Our Infrastructure North partnership enables joint and shared learning around environmental impact, support for vulnerable customers,

use of drones, and our innovation project into the social impact of Streetworks.

Globally, best practice is shared across Berkshire Hathaway Energy companies. Topics such as safety, efficient contracting and engagement are debated at the global leadership conference, driving a programme of priorities. Our partnership with the Department for Culture, Media and Sport around cyber security was a result of this collaboration.

Employee engagement

We're proud to have incredible Team Powergrid colleagues. We regularly benchmark employee engagement, acting on feedback to ensure our people feel valued and empowered to do the best for us and our stakeholders. This year:

**41%
INCREASE**

IN OUR PEOPLE FEELING THEY ARE EMPOWERED TO DO THE RIGHT THING FOR OUR CUSTOMERS

- Based on 78% staff response rate.

Notes

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Notes



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Contact: yourpowergrid@northernpowergrid.com

Useful links:

Stakeholder webpage - www.northernpowergrid.com/your-powergrid

Business plan website - www.yourpowergridplan.com

Online community - <https://northern-powergrid.explainonline.co.uk>