

# STAKEHOLDER ENGAGEMENT AND CONSUMER VULNERABILITY INCENTIVE SCHEME



Making a positive difference  
for energy consumers

## PART 1 SUBMISSION ENTRY FORM

### COMPANY DETAILS:

Company: Northern Powergrid  
Licensee(s): NPgN  
NPgY

### CONTACT DETAILS:

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| MINIMUM REQUIREMENTS   |   |   |
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| Please provide supporting evidence and high level overview of how your company has met the Minimum Requirements set out below: | Evidence referred to within application (i.e., evaluation, assurance report, survey, etc.)  | Overview of your arguments demonstrating compliance with requirement. Clearly signpost as to additional relevant evidence/ information within Submission  |
| The network company has comprehensive and up-to-date stakeholder engagement and consumer vulnerability strategies.             | <p>Both our Stakeholder Engagement Strategy (part 1, p2), and our Consumer Vulnerability Strategy (part3 p2) undergo an annual review (both internal &amp; external).<br/>We ensure that they are fit for purpose by seeking feedback from our stakeholders and by gaining independent assurance / accreditations to ensure our approach is supported by good practice (part 1, p10):</p> <ul style="list-style-type: none"> <li>• AA1000 stakeholder engagement standard;</li> <li>• BSI standard for customer vulnerability;</li> <li>• Action on Hearing Loss - Louder than Words™ charter;</li> <li>• UK'S top 50 companies for customer service;</li> <li>• ISO27001 certification;</li> <li>• ISO 55000 certification.</li> </ul> <p>To ensure our strategies are comprehensive and up-to-date we use data (part 1, p4 and p6) and stakeholder feedback (part1, p4, p7 and p8) to inform the annual review. For example, our stakeholder priorities research (part1, p4) underpins the three key aspects of our stakeholder strategy – 'Unlocking our energy future', 'Keeping our promises' and 'Looking after our communities'.</p> | <p>We have received positive feedback from our auditors (e.g. AA100SES – see quotes throughout part 1).</p> <p>Our strategies are embedded within the business through:</p> <ul style="list-style-type: none"> <li>• Formal governance including senior management accountability through our Social Responsibility Management Group and Strategic Stakeholder Engagement Management Group (part1, p5 and part3, p2);</li> <li>• Early engagement and planning influencing annual business plans (part1, p5);</li> <li>• Regular reporting of plans and progress for consumer vulnerability and stakeholder engagement within business reporting processes (part1, p5);</li> <li>• Giving our colleagues the right tools to do the job, regular engagement and comprehensive training (part1, p5 and part3 p6 and p8).</li> </ul> |

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| <p>A broad and inclusive range of relevant stakeholders have been engaged. This specifically includes engaging with challenging or hard-to-reach stakeholders (e.g. community energy).</p>  | <p>To ensure we engage with a broad and inclusive range of stakeholders, we map, segment and profile our stakeholders. We engage according to the type and level of engagement required – ‘strategic’, ‘operational’ or ‘innovation’ led (see part1model p3).</p> <p>We have engaged over 18,000 stakeholders throughout the year. Further examples of the different groups of stakeholders and how we engage them can be found in the summary table (part1, p10).</p> <p>Within each of our categories we have diverse examples of hard-to-reach stakeholders (see part1, p7and part3 p5) and use research and insight to increase our awareness of barriers which may hinder engagement. We annually test and review our stakeholder mapping to check it is fit for purpose via research, feedback and accreditation.</p>                      | <ul style="list-style-type: none"> <li>• We take a partnership approach to engaging our hard to reach stakeholders (Part1, p7). Examples of how we are engaging hard to reach include:</li> <li>• <b>Community Energy Seed Fund</b> (part2, p6) Engaging Community Energy Groups through a dedicated innovation fund</li> <li>• <b>PSR community partners</b> (part3, p5) Extending our network of trusted local partners to refer the communities they support to our PSR</li> <li>• <b>Listening to future consumers</b> (part1, p8) Our utility partnership establishing on-going research with future consumers to inform future utility business plans</li> <li>• <b>Supporting vulnerable, rural communities</b> (part1, p7) Our partnership with Community Action Northumberland to reach rural vulnerable customers with energy advice</li> <li>• <b>Focusing on health</b> (part1, p7) Our engagement with health organisations to increase PSR referrals.</li> </ul> |
| <p>The network company has used a variety of appropriate mechanisms to inform and engage their stakeholders – these have been tailored to meet the needs of various stakeholder groups, and are fit for purpose in allowing a detailed analysis of a breadth of stakeholder perspectives.</p> | <p>We strive to have an engagement approach which is open and accessible to all who wish to take part. However, we also understand that our stakeholders have differing levels of knowledge and interests and this will influence where and how they wish to engage. Tailoring our engagement approach from light touch to in-depth engagement ensures as inclusive an approach as possible. We respect our stakeholders' time and so we have a flexible range of engagement channels to suit their preferences (see part1, p6 and p7).</p> <p>We are also aware that adapting the style and content of materials to engage with stakeholders is important so we invest in developing resources which are accessible with plain English messaging to make it as easy as possible for our stakeholders to understand and want to engage with.</p> | <p>Independent accreditations (part1, p10) and on-going stakeholder feedback during the development of a method, and post communication to evaluate the effectiveness, gives us the reassurance we are using appropriate mechanisms and have opportunity to adapt these as necessary.</p> <p>New engagement channels introduced this year include (part1, p7):</p> <ul style="list-style-type: none"> <li>• Webinars and webcasts to be more accessible for the time poor</li> <li>• On-line community for on-going engagement around electrical losses</li> <li>• DSO expert group to shape our transition and influence our unlocking energy futures plans</li> <li>• Consumer focus groups to test new services and communications.</li> </ul>  |

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| <p>The network company can demonstrate it is acting on input / feedback from stakeholders.</p> | <p>Our approach to engagement (part1, p3) indicates how we act on input from stakeholders and subsequently close the loop. We let stakeholders know how we've acted on their feedback and use activity outcomes to inform future engagement.</p> <p>Our diagram (part1, p9) sets out how stakeholder feedback influences decision making in the business to ensure that feedback reaches the right people within the business to be able to respond in a meaningful way.</p> <p>We have also used stakeholder inputs to enhance our existing stakeholder engagement programmes and develop new ones ourselves and with partners, including other utilities, DNOs and trusted community partners.</p> <p>We follow up all engagement with direct feedback to stakeholders on what we are doing as a result of their feedback and input.</p> | <p>In addition to the outcomes we highlight throughout the report (see below) our independent audit commented on our processes to act on feedback from stakeholders:</p> <p><i>"NPG evaluates the tools used for engaging with stakeholders to ensure they are appropriate, timely and provide the stakeholders the opportunity to feedback in an easy manner. The Stakeholder Engagement Strategy includes both internal and external measures to demonstrate action on feedback from stakeholders."</i> <b>SGS AA1000 Stakeholder</b> Audit – May 2017</p> <p>We regularly feedback to our stakeholders through our bulletin around improvements we are making as a result of feedback. Examples of direct feedback include follow up on all individual queries following DSO events and a next steps report for partners following our Partnering Communities events.</p> |
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| <p>The network company can demonstrate that stakeholder engagement has led to positive outcomes for stakeholders.</p> | <p>Measuring impact and outcome is an integral part of both our Stakeholder Engagement and Consumer Vulnerability Strategies and approach.</p> <p>We have enhanced our reporting and programme management (part1, p9). Working with business leads we have created processes measuring the outcomes that our stakeholders value. Setting out a clear process from end-to-end, it identifies types of benefits, including: direct financial, indirect financial and non-financial, and offers a template to be completed before projects and initiatives are undertaken. This is helping us to clearly report impacts for stakeholders as well as informing investment making in terms of what we invest in and where we move projects on to scale up or enhance following pilots.</p> <p>Where it is appropriate we also use Social Return on Investment (SROI) as a measure for our vulnerability programmes.</p> | <p>Throughout our submission we have highlighted specific outcomes for stakeholders, including:</p> <ul style="list-style-type: none"> <li>• We have set out a summary of 170 meaningful outcomes agreed or delivered in response to stakeholder feedback over the last year (part1, p10)</li> <li>• Throughout Part 2 we have clearly set out the outcomes and benefits for each initiative, programme or project undertaken</li> <li>• Whilst it is not always feasible to demonstrate quantifiable benefits for some initiatives the stakeholder or customer benefit can still be meaningful – we have included case studies throughout the submission to highlight some of the more quantifiable benefits.</li> <li>• In addition to projects and initiatives our PSR service commitments (part 3, p6) set out our holistic services for vulnerable customers and how we will be measuring these as part of business as usual moving forward.</li> </ul> |
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