

Stakeholder engagement
and consumer vulnerability
submission 2017/18



Part 1:

Overview of evidence



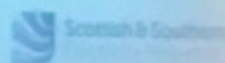
Scottish & Southern
Electricity Networks

Today's format:

Three sessions

- RIIO-ED1 Business Plan
- Social obligations
- Distribution System Operator (DSO)

Roundtable discussions and electronic voting: an opportunity to have your say



Stakeholder workshops, Glasgow and Reading 2018

80 external stakeholders provided feedback on our business plan commitments, social obligations and transition to Distribution System Operator.

Contents

- 1 Welcome
- 2 Stakeholder engagement strategy
- 3 Consumer vulnerability strategy
- 4 Identifying our stakeholders
- 5 Engagement mechanisms and capturing feedback
- 6 Embedding engagement in our organisational structure
- 7 Engagement outcomes
- 8 Independent evaluation of our engagement





Stakeholder engagement, like our commitment to safety, is the responsibility of all employees. Our stakeholder engagement strategy (page 2), though well-established, is continually refined in response to what our stakeholders are telling us.

I've seen the culture here at Scottish and Southern Electricity Networks (SSEN) change substantially over the past few years, with a real shift in focus; to make sure we look after our customers, particularly the most vulnerable, as well as looking after the assets on our network.

In a company of this size, operating in a complex industry, this transformation has not been easy, or happened overnight. However, it's my belief that we have made great strides in the right direction, working hard to embed the right behaviours at every level of our business. Our core programme of engagement continues to expand, as does the range of mechanisms we use to facilitate that engagement with stakeholders, including those defined as 'hard-to-reach'.

Our stakeholder engagement strategy is structured on three levels – strategic, organisational and operational – ensuring we receive a sufficient spread of opinions from stakeholders within a diverse range of sectors and different parts of the country.

In the past we've been subject to challenge in terms of the involvement and commitment of our senior managers and directors in stakeholder engagement. As I mentioned earlier, stakeholder engagement is the responsibility of all SSEN employees. I am keen to lead this from the front and as such have attended all meetings of our Stakeholder Advisory Panel in 2017/18, a part of my role I thoroughly enjoy and find extremely worthwhile and fulfilling. I've also taken the opportunity to engage with numerous stakeholders at various stakeholder workshops and events throughout the year. This responsibility also extends to all of our directors and senior managers who, I am pleased to say, also take this part of their job very seriously.

With three of the eight years that make up the current price control – RIIO-ED1 – now behind us, you'll see in Part 2 of this report that we are already turning our attention to the RIIO-2 price control. This starts in 2023 and to prepare ourselves for its introduction, we have kick-started an extensive programme of engagement with stakeholders, with a particular focus to understand how we should transition from being a network operator to a system operator as we continue the transition to a smarter, flexible energy system.

New low-carbon technologies, combined with the need to reduce carbon emissions, are reshaping the energy system, fundamentally transforming the energy system and creating exciting, new opportunities for all.

In the short term, electric vehicles – certainly in large cities – are expected to become commonplace. New technologies, along with changes in customers' requirements, will require increasing amounts of flexibility for local grids to operate in real time in response to fluctuations in local demand from domestic and commercial consumers.

What remains constant amidst this changing landscape is our commitment to collaborating with our customers and stakeholders, understanding our relationship with them, their needs and expectations, and how, by working together, we can co-create a sustainable business, fit for the future.

It is vitally important that this transition to Distribution System Operator, arguably the most significant reform of electricity networks in recent decades, must deliver for all customers, not just the 'first adopters' that are able to embrace and take advantage of emerging technologies.

From making sure the most vulnerable are not left behind, to how the cost of this and the electricity networks of the future are paid for, we will continue to consult widely with stakeholders over the coming years to ensure a fair, accessible and reliable network for all our customers.

Colin Nicol
Managing Director, Scottish and Southern Electricity Networks

Over the last couple of years, SSEN has become much more forward looking and willing to engage effectively with external stakeholders.

Norrie Kerr
Director, Energy Action Scotland,
and member of the SSEN Stakeholder
Advisory Panel

Key outputs in 2017/18



2 new Inclusive
Service Panels established,
delivering a truly inclusive culture



17% more customers
signed up to our Priority Services
Register since 2016/17



3 years
BSI inclusive service
accredited



+12,000
of stakeholders
engaged



+1 million
proactive engagements
ahead of storms

2 Stakeholder engagement strategy

Why we engage

By engaging with our stakeholders, we aim to continue running a sustainable business which operates in line with the views of those we serve.

We are very aware that we have an important part to play in securing the long-term social and economic health of communities and businesses in the north of Scotland and south central England.

Stakeholder engagement helps our company to recognise its place in wider society. We don't take decisions in isolation. Instead, effective stakeholder engagement helps us increase the resilience and flexibility of our business, giving our stakeholders and customers the level of service they expect and deserve from us.

How we engage

To ensure our approach adheres to best practice in the energy industry and beyond, in 2017/18 we have been working with the standards firm, AccountAbility.

AccountAbility are helping us to refine our processes and procedures with a view to obtaining the AA1000 Stakeholder Engagement Standard. This has resulted in the adoption of a six-point approach to stakeholder engagement.



1. Identify stakeholders

We recognise that a broad range of stakeholders are impacted by our activities and we need to consult with them and include them in our decision-making. We routinely review our existing stakeholder contacts and identify any new groups or individuals. We recognise that one size does not fit all, and we can't engage with everybody at the same time. Therefore we categorise stakeholders based upon their interest, knowledge and influence in our activities (see page 6).

2. Identify material issues

Naturally, not all stakeholder groups will be interested in or affected by every aspect of our activities. Our targeted engagement programme focuses on the most pertinent issue/s for each stakeholder group to encourage active participation and ensure meaningful feedback.

We therefore regularly engage with our principal stakeholder groups (see page 6) to identify the key issues facing that organisation or company to make sure our engagement is as inclusive and responsive as possible. We then seek to understand how we can work together to achieve mutually beneficial outcomes.

3. Plan engagement

Once we have identified our stakeholders we endeavour to find the most effective tools to inform, consult or collaborate with them. Because each stakeholder is different, we offer a range of ways to engage with us, using only the most appropriate mechanism/s. We regularly review the suite of engagement methods which our teams can use as we look to adopt new techniques that better support our aims and objectives (see page 7).

4. Engage with purpose

Having a clear purpose is key to achieving successful outcomes. We make sure that all parties have a clear understanding of what we are trying to achieve to ensure the engagement process is meaningful and inclusive for all involved. To integrate the views of different stakeholder groups, we often triangulate engagement methods so that the robustness of the conclusions we draw from engagement activity can be reliably corroborated by other sources.

5. Share feedback

In the interests of transparency, following robust analysis, we summarise and share feedback received from the engagement process to evidence what stakeholders have told us. Where stakeholders have consented under the new General Data Protection Regulation (GDPR) principles, we send feedback directly to contributing stakeholders or publish reports that are publicly accessible on our website.

6. Act on learning

We commit to being responsive and acting transparently on material issues where we have the ability to deliver positive outcomes (see page 9). On occasion, there may be circumstances when we are not able to act on stakeholder feedback. Where this is the case, we will always look to explain the reasons for not doing so.

Aligning our engagement strategy to business objectives

Our RIIO-ED1 business plan is the regulatory contract, developed in collaboration and consultation with our customers and stakeholders.

As well as establishing our strategic direction, it set the outputs that we need to deliver for stakeholders for the period from 2015 to 2023. The views of over 5,000 of our customers and stakeholders informed the creation of 110 commitments under the six RIIO-ED1 output areas:

110 business plan commitments

91 commitments on target

1 commitment under review

18 commitments achieved

Strategic themes in 2018/19 and beyond

So that we maintain focus on the most important issues facing our stakeholders, we gathered feedback from our engagement workshops in February and March 2018 which highlighted two out of six output areas that we should prioritise as we seek to successfully deliver our RIIO-ED1 business plan.

- 1. Reliability and availability:** providing long-term reliability of supply, minimising the number and duration of interruptions and ensuring adaptation to climate change
- 2. Safety:** providing a safe network in compliance with Health and Safety Executive (HSE) safety standards
- 3. Environment:** reducing carbon emissions and the environmental impact of the company's activities by managing carbon footprint, visual amenity and pollution
- 4. Social obligations:** helping vulnerable customers
- 5. Connections:** connecting customers in a timely and efficient way
- 6. Customer satisfaction:** maintaining high levels of customer satisfaction and improving service

2 Stakeholder engagement strategy

Key

 New

 Expanded

 Improved

 Embedded

Three levels of engagement

Our engagement strategy is reviewed every year to keep pace with the rate of change in the industry and the issues affecting our stakeholders and our business.

It is structured on three levels – strategic, organisational and operational – tailored appropriately to each issue. Each level is supplemented by research activities, ongoing throughout the year, which provide key insight from our stakeholders.

Approaching engagement on three levels aligns with our business' structure, with seven semi-autonomous regions, four in our Southern Electric Power Distribution (SEPD) area, and three in our Scottish Hydro Electric Power Distribution (SHEPD) area, being responsible for service delivery in their area.

We wanted to make sure our continued approach to engaging across these three tiers remained effective, therefore we consulted with our Stakeholder Advisory Panel who endorsed our three-level approach.



Examples of our three-level approach in practice

Strategic: Advisory Panels

Our Stakeholder Advisory Panel meets regularly throughout the year to provide strategic advice on relevant business decisions, and ensure we offer an inclusive service.

The Stakeholder Advisory Panel is required to produce an independent assessment of the year, including areas for future improvement. The audience for this report includes the SSEPD Board and the Networks Leadership team.

We also established two Inclusive Service Panels (ISPs) – one internal and one external – who will work closely with our business to increase the accessibility of our services.

Organisational: Stakeholder workshops

We hosted two major stakeholder engagement workshops (in Glasgow and Reading) which were attended by over 80 stakeholders. The workshops consisted of presentations, round table discussions and electronic voting, inviting feedback on our social obligations, business plan commitments and transition to Distribution System Operator.



We also received valuable feedback on our Resilient Communities Fund, specifically which types of projects we should be funding, and have already adapted our criteria, informed by this stakeholder feedback, for future funding application windows.

Operational engagement

Engaging with community members on the development of infrastructure, and delivering changes to our projects based on stakeholder feedback.

For example, in Auchterarder we stopped works prior to remembrance day and two weeks prior to Christmas to avoid impacting festive trade.

Stakeholder research

A programme of stakeholder events and surveys provided detailed insight from a large number of stakeholders to help us understand issues, e.g. our annual domestic, brand and PSR customer surveys gathered feedback from more than 4,000 customers.

Stakeholder engagement and consumer vulnerability panel feedback

In response to feedback from last year's stakeholder engagement assessment panel, we put in place a series of actions to ensure we continue to improve year-on-year.

You said in 2016/17

Increase your scale and ambition, rolling out initiatives to more customers

We did in 2017/18

Expanded multi-region fuel poverty initiatives (see pages 7 and 8, part 3)
Adopted vulnerability mapping within 'business as usual' processes in our regions influencing PSR initiatives, fuel poverty work and resilience activity (see pages 2 and 3, part 3)
Attended more external events such as Independent Living Scotland, stakeholder workshops and Parliamentary events, engaging with more than 12,000 stakeholders

Increase the number and extent of our partnerships

Worked towards converting informal arrangements into formal partnerships through 'partnership-lite' contracts, providing clarity and improving effectiveness

Extend our commitment to stakeholder engagement across our business and extend executive buy-in

Ensured our Stakeholder Advisory Panel is focused on our business plan commitments and is acting on associated feedback
Created a customer and stakeholder sub-committee and stakeholder project review board with senior management representation to increase our focus on the external environment and improving outcomes for stakeholders

Evidence why we are doing things, not just what we are doing

Established external and internal Inclusivity Panels to provide expert advice on consumer vulnerability issues and to advise where we should be focusing our stakeholder engagement

3 Consumer vulnerability strategy

Key

- New
- Expanded
- Improved
- Embedded

Our high-level strategy for supporting customers in vulnerable situations was first set out in our RIIO-ED1 business plan based around five strategic priorities:

- 1 Addressing consumer vulnerability is at the heart of our business strategy, our culture, our policy and all of our services
- 2 Identifying and responding to consumer vulnerability promptly and with empathy
- 3 Keeping the distribution costs of our consumers' electricity bills as low as possible
- 4 Delivering an accessible and empathetic service to our PSR customers
- 5 Supporting those who become temporarily vulnerable during a power cut

2017/18 areas of focus

To help achieve our strategic aims, in 2017/18 we engaged with stakeholders on the six areas below:

<p>1</p> <p>Embed our Customer Mapping Tool</p>	<p>2</p> <p>Drive forward PSR provision and promotion</p>	<p>3</p> <p>Widen our partnership network and collaborative activities</p>	<p>4</p> <p>Expand on fuel poverty and energy efficiency initiatives</p>	<p>5</p> <p>Ensure our services are inclusive and accessible for everyone</p>	<p>6</p> <p>Increased use of stakeholder feedback and data to inform our decisions</p>
--	--	---	---	--	---

Customer Mapping Tool

In 2016/17, we launched our Customer Mapping Tool which provides us with detailed demographic information about our communities.

This mapping is helping us to make informed decisions about where additional assistance may be needed during power cuts and planned supply interruptions, and which communities could benefit from additional resilience planning or more promotion of the Priority Services Register (PSR).

We have also given our seven regions strategic guidance based around the most prevalent vulnerable customer characteristics for each region.



Demonstrating our mapping tool to stakeholders at the Scottish Parliament



Priority Services Register

The PSR plays a vital role in allowing us to help customers who need additional support during power cuts and planned supply interruptions.



Focus on Vulnerability

We are committed to becoming the most inclusive and accessible DNO and we're working hard with stakeholders and our ISPs to review all of our services to ensure they are accessible and inclusive for everyone.



Training and Education

Our Power Pack Pals training programme is helping children to remain safe around our assets.



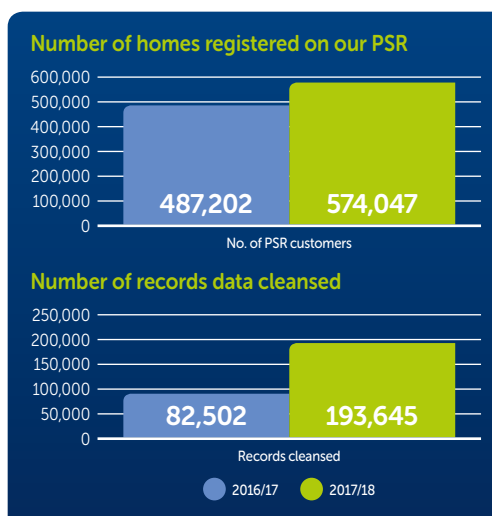
Partnerships and Resilience

We do this at all levels, from individual customers who would be at greater risk in an emergency to community groups, with councils and emergency planning organisations.

Priority Services Register

- Our PSR is there for anyone who might need additional help, support or information during a power cut. We also add people who may be temporarily vulnerable, for example, someone leaving hospital following an accident/illness.
- We categorise customers who are signed up to the PSR using codes. These codes range from PSR 1 to PSR 3 based on the severity of vulnerability, and are agreed industry-wide following consultations with numerous stakeholder groups. We prioritise our response for PSR 1 customers who may require help more urgently and so receive the first calls and the quickest help.

Stakeholders told us that we should create a new PSR1+ category for customers thought to be at higher risk when without electricity, for example those who are dependent on oxygen equipment.



+1.5m

Estimate of PSR eligible homes*



18% SHEPD **15% SEPD**

Estimated percentage of registered homes

*Using data from the Centre for Sustainable Energy and public information



+£500,000

awarded to communities in 2017/18

+£1.6m worth of grants since 2015

+£560,000

96 projects in north Scotland

+£1.1m

161 projects in south England

Partnerships and resilience

These are areas we're very proud of and we're known as leaders in resilience planning, having worked extensively with the Scottish Government to share our expertise in this area. We conduct resilience planning at all levels, from individual customers who would be at greater risk in an emergency to community groups, councils and emergency planning organisations.

We also have our Resilient Communities Fund which supports communities across our north of Scotland and central southern England distribution areas to improve local resilience.

Training and education

Internal training ensures all our teams are fully trained and capable to recognise signs of vulnerability and help customers in vulnerable situations.

- We are proud to be the first DNO to introduce formal training for our storm response staff in the form of Professional Development Qualifications in Resilience Management. The programme is aligned with the new National Occupational Standards, developed specifically from the civil contingencies community and the Emergency Planning Society competency framework.
- We teamed up with London Sustainability Exchange (LSx) as part of our ongoing commitment to enhance customer communication with different faiths and minority groups in our central southern England licence area.

To support our new group safety target of reducing injuries by 50% by 2020, we commissioned an external agency, specialising in all aspects of behavioural safety, to deliver an innovative safety training programme on 'Influencing Behaviours' to every SSEN employee.

The training focused on how to influence human aspects of safety, drawing on examples from both industry and everyday life to give practical advice and instil behaviours that can help to mitigate risks.



Focus on vulnerability

We established external and internal Inclusive Service Panels to give perspectives on inclusivity and accessibility across our business. However, the focus on vulnerability isn't just about inclusive service and equal access.

We're involved in many projects to resolve fuel poverty, this includes working with partners and other utilities. This involves everything from energy efficiency measures to switching suppliers and from our widely-acclaimed gap funding to advice on simple energy saving tricks for the home.

4 Identifying our stakeholders

Getting to know our customers and stakeholders has been a central tenet of our engagement strategy, driven by the data from our Customer Mapping Tool.

What sets our mapping tool apart from others in our industry is its ability to overlap multiple social indicators – such as languages and age profiles – onto any geographic region. This helps us to understand how different communities are likely to be impacted by our operations and the types of stakeholders living in that region.



For a DNO with over 3.7 million homes and businesses in two geographically distinct areas, our list of stakeholders is vast and diverse. Every day, across all activities at every level of our business, we engage with people who have a vested interest in what we do and how we do it. We work together with a diverse range of individuals and organisations to help achieve our objective – to deliver electricity in a safe, reliable and sustainable way to our communities.

We recognise that not all stakeholders have an interest in the same issues or topics. Therefore we regularly evaluate our principal stakeholder groups on both a strategic and project-by-project basis. This ensures we can identify which stakeholders are interested in particular issues, creating opportunities to collaborate, as well as the ability to influence and achieve positive mutual outcomes that are beneficial to all involved.

SSEN stakeholder matrix



Principal stakeholder groups

- Domestic consumers
- Commercial consumers
- Consumer organisations
- Local authorities
- DNOs, GDNs & other utilities
- Governments
- Supply chain participants
- Landowners
- Statutory consultees
- National Grid
- Trade Bodies
- Developers
- Regulator

Engaging hard-to-reach stakeholders

Traditionally, 'hard-to-reach' was perceived as a catch-all term, used to define stakeholders with whom organisations had difficulty engaging.

The natural tendency has been to assume that hard to reach stakeholders are synonymous with vulnerability issues, for example certain sections of the elderly, or as having physical or mental disabilities.

At SSEN, we have adopted a more nuanced definition, recognising that a wider number of circumstances can affect the ability of specific stakeholders to engage

with us, or us with them. Whether that is simply an unwillingness to participate, a lack of awareness of our business and industry, challenges with language, or working outside normal business hours, we work hard to ensure those who want to give their views, can.

In 2017/18 key content on our website was made available in 11 languages, with the five most commonly used being made available in print. Every three months Sitemorse undertake an industry-wide audit on the accessibility of all DNOs' websites. In the previous four audits, our website has achieved the highest overall score making us top in every audit during 2017/18.



5 Engagement mechanisms and capturing feedback



Having identified who our stakeholders are, we consider the most effective way of reaching each audience, thereby ensuring their feedback is captured and considered.

At the end of each large engagement event, we ask our stakeholders to score the quality and usefulness of that session. This learning ensures stakeholders see a benefit and continues to keep our approach fresh and interesting.

For example, 100% of stakeholders who attended our stakeholder workshops in February and March 2018 found the day to be interesting; 92% of stakeholders felt we covered the right topics on the day; while 97% of delegates thought the workshops were engaging, with opportunity to make their points and ask questions.

Mechanism	Issue	Stakeholders engaged	Feedback received	Outcomes	Level
Stakeholder Advisory Panel Regular meetings throughout the year	<ul style="list-style-type: none"> Overarching engagement and strategic issues 	<ul style="list-style-type: none"> Experts in mental health, emergency planning and resilience, housing and sustainable energy Regulator Consumer organisations 	<ul style="list-style-type: none"> Told us to expand our levels of engagement 	<ul style="list-style-type: none"> We created a new online community to encourage stakeholders to provide ad hoc feedback on projects or aspects of our business at their own convenience In conjunction with feedback from our Stakeholder Voice Groups (CVG), the Panel advised closing our CVG in favour of wider-reaching stakeholder workshops, which we held in February 2018 	Strategic
External and Internal Inclusive Service Panels	<ul style="list-style-type: none"> Ensuring our services are inclusive and accessible to all 	<ul style="list-style-type: none"> Consumer vulnerability and inclusivity experts 	<ul style="list-style-type: none"> Work more closely with schools to educate children about who we are, what we do and the PSR Create a new PSR1+ category to prioritise help for customers whose lives may be most at risk during a power cut 	<ul style="list-style-type: none"> Committed to include PSR-related messages in our 'Power Pack Pals' toolkit for school children Conducted further PSR needs codes research at our stakeholder workshops to corroborate feedback from the panel 	Strategic
Stakeholder engagement workshops Held in Glasgow and Reading with 80 external stakeholders attending	<ul style="list-style-type: none"> Social obligations DSO transition Business plan commitments 	<ul style="list-style-type: none"> Developers • Utilities Supply chain • Third sector organisations • Academia • NGOs Government • Local authorities Statutory consultees • Trade bodies Commercial customers • Regulator Consumer organisations 	<ul style="list-style-type: none"> 65% of stakeholders want us to create a new PSR1+ category for customers thought to be at highest risk when without electricity 84% of stakeholders think our Resilient Communities Fund should support areas where it can be difficult for emergency services to respond to 	<ul style="list-style-type: none"> We will work with our stakeholders to introduce a new PSR category to target support to those most in need during power cuts The fund opened earlier in 2017 and for a longer period We promoted the fund through enhanced communication channels to ensure that it reached areas which had lower participation in previous years 	Organisational
Surveys Annual domestic and brand surveys of over 4,000 customers	<ul style="list-style-type: none"> PSR promotion Power outage communications 	<ul style="list-style-type: none"> Domestic customers Customers on our PSR 	<ul style="list-style-type: none"> 34% said we should be promoting our PSR through the health service 77% said that in power outages lasting longer than six hours the most important thing to them was being kept up-to-date. Customers also told us that they would expect to be updated every two hours 	<ul style="list-style-type: none"> Our winter campaign included direct communications with GPs. We also attended and sponsored Independent Living Scotland's annual conference where we promoted our PSR to health and care professionals We have committed to delivering more frequent updates for customers affected by prolonged power cuts in one of our SEPD regions during 2018/19 for the remainder of this financial year 	Organisational
Joint DNO engagement	<ul style="list-style-type: none"> Raising awareness of farm safety and 105 emergency number 	<ul style="list-style-type: none"> Western Power Distribution SP Energy Networks Electricity North West Northern Power Grid UK Power Networks 	<ul style="list-style-type: none"> The number of annual agricultural incidents remains a concern Customers awareness of the 105 number continues to be low 	<ul style="list-style-type: none"> Launched a nationwide safety campaign, Look out Look up! Launched a major joint-campaign which highlights 105 as the number to call in a power cut 	Organisational
Focus Groups Held at Independent Living Scotland's annual conference	<ul style="list-style-type: none"> PSR resilience packs 	<ul style="list-style-type: none"> 37 stakeholders attended focus groups from the following stakeholder categories Health & social work professionals Trade professionals Family carers & professional carers 	<ul style="list-style-type: none"> Difficulty opening the pack Most valued items were the torch and the thermometer card Too many items 	<ul style="list-style-type: none"> Our bronze packs are being re-designed to include a new torch which combines a glow stick, thermometer as well as a fridge magnet with details of the emergency power cut number We are also adapting our envelope to include a rip tape for ease of opening 	Operational

New mechanisms in 2017/18

We are always searching for new ways to reach our stakeholders and make it easier for stakeholders to engage with us. In 2017/18, we established a new online community to allow customers to provide feedback and insights on our business activities.

The site has been built with accessibility in mind, with large clear wording, easy to read language and a built-in high contrast tool.

We believe this will help us reach some of the people who we find hard to reach using traditional engagement mediums. We also hope people will feel they can speak freely, ensuring the voices of individual customers are heard alongside that of larger businesses and organisations.

The online community is a great way to gather feedback and prompt discussion on a range of topics that matter to our customers. The feedback we receive will shape our services and help us to identify ways to make improvements.

Lisa Doogan
Director of Customer Relationship Management

6 Embedding engagement in our organisational structure

Key



New



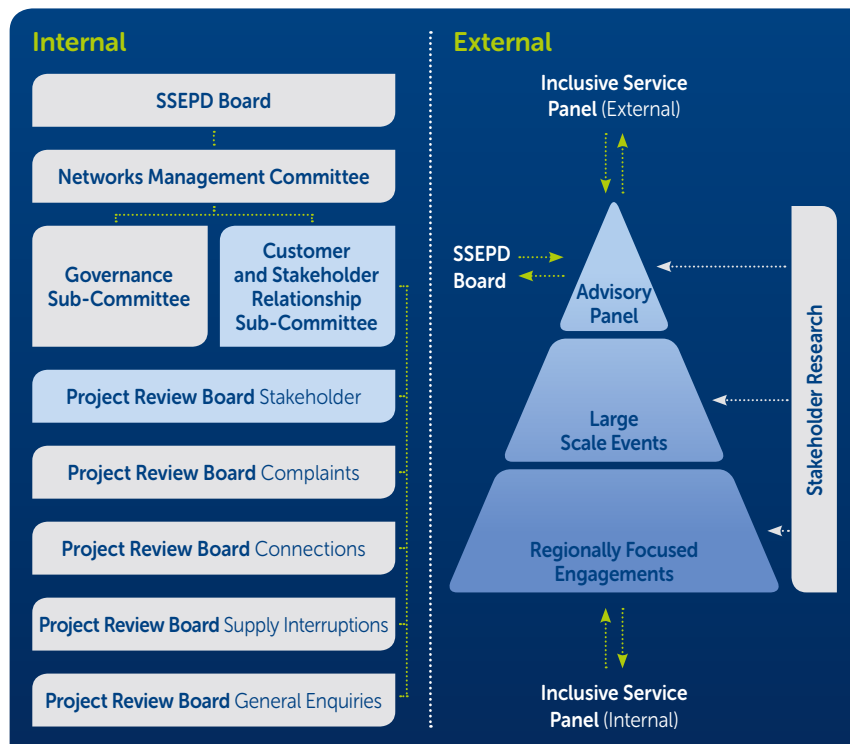
Expanded



Improved



Embedded



Prior to the first meeting, I'd spent several months visiting SSEN's depots and offices across the country so that I could learn more about the company and its staff, and it's clear that there is already a real passion for inclusivity in the business. There's the shift SSEN has already made from being a traditional engineering business to becoming one that puts the customer first, and we've already identified at this session that SSEN's teams are already doing a great job. With the help of the panel, we can give them additional confidence and resources to keep on doing the right thing and inspire them to do even more for their customers.



Richard Shakespeare
Chair, Inclusive Service Panel

Customer and Stakeholder Relationship Sub-Committee

The Customer and Stakeholder Relationship Sub-Committee represents the needs and expectations of customers and stakeholders to the Network Management Committee, and is responsible for implementing agreed plans related to improving the customer experience, customer service and stakeholder engagement.

It ensures that the business pursues continuous improvement, develops and strengthens knowledge of SSEN through effective customer relations, prudent use of customer data, and working in partnership with stakeholders.

Stakeholder Project Review Board

The Stakeholder Project Review Board represents the needs and expectations of our stakeholders, and is responsible for implementing agreed plans related to improving stakeholder engagement, looking for ways in which it can better support the various functions of the business (e.g. asset management, engineering and investment) to make decisions which are informed by stakeholder views and opinions.

Objectives:

- Increase brand awareness of SSEN
- Share best practice from engagement activities to ensure continuous improvement and disseminate research findings
- Safeguarding stakeholders' personal data by establishing appropriate processes and procedures in time for the introduction of the General Data Protection Regulation on 25 May 2018.

Stakeholder Advisory Panel

In 2016, we established an independent Stakeholder Advisory Panel to work alongside our Board to help scrutinise business performance and effectiveness in meeting commitments made under the RIIO-ED1 price control frameworks. Topics discussed in 2017/18 included DSO transition, Key Performance Indicators and future energy scenarios.

The Panel consists of a Chair and six members, recruited to reflect a broad range of external interests, skills, knowledge and experience. The objective is to create a step-change in response to the interests of stakeholders. Through its work, the panel brings stakeholder insight and challenge to our decision-making at the highest level, helping to drive improvement in key processes and outcomes for customers. The panel also produce an independent 'year-end' report containing their own assessment on how we have performed, which is fed up to the SSEPD Board.

Inclusive Service Panels

Ensuring equality, diversity and inclusion in workplaces are challenges facing many businesses, which is why we have gone a step further to ensure our customer service and support is truly inclusive and accessible for everyone.

Our new external and internal Inclusive Service Panels (ISPs) have been set up to help inform and influence our decision making, with a specific focus on the provision of inclusive service and support for the 3.7 million homes and businesses we serve.



External ISP meeting, March 2018

Both panels are chaired by Richard Shakespeare, a leading expert in diversity and inclusion.

The internal panel consists of 16 colleagues, while the external panel has four members, each of whom brings a vast range of work-life experiences including mental health, physical disability, equality, occupational health, religious diversity, and the LGBT community.

The ISPs are scheduled to meet at least three times every year and will complement our Stakeholder Advisory Panel in helping us to understand the needs of our customers, including our vulnerable customers. As with the existing groups and panels' outputs, senior management will be informed of concerns and feedback from the Inclusivity Panel which will inform changes to our business practices as a direct result of this feedback.

7 Engagement outcomes



In 2017/18, our stakeholder engagement strategy saw us engage with over 12,000 stakeholders in our north of Scotland and central southern England licence areas.

Feedback received has helped to shape our future priorities, as well as helping to refine our current service offering, ensuring we continue to evolve our business in line with the rapidly evolving nature of the energy industry and our stakeholders' expectations.

Parts 2 and 3 of this submission document explain in detail the outcomes and benefits our engagement has managed to deliver for stakeholders. The table below gives a high-level summary of some of the key benefits our stakeholder engagement activities have led to in 2017/18.

Issue	Action	Outcomes	Cost
Distributed generation and energy users	Connections Customer Steering Panel Over 250 stakeholders engaged	Generated and endorsed our connections business improvement plans	–
	Connections surgeries 24 surgeries held across the north of Scotland and central south England	Project specific queries and issues resolved. Additional support provided to customers 'new' to our connections process	–
	Distributed Generation Forums	Provision of information from Ofgem and BEIS, opportunity to share best practice across DNOs and engage on a broad spectrum of industry topics	–
Consumer vulnerability and resilience	Customer Mapping Tool Embedding our mapping tool across business departments and sharing best practice with external organisations	Over 70 key individuals personally trained on mapping internally and shared externally with over 45 people in 24 organisations	£0 (funded in 2016/17)
	PSR survey Survey of over 600 PSR customers	Ensures we are delivering the priority services stakeholders need	£16,000
	Resilient Communities Fund On the back of stakeholder feedback, we've opened our fund application window earlier and kept it open longer, as well as prioritising applications from areas of low resilience	Over 4 million people supported	+£500,000
	Winter communications campaign Ensuring our stakeholders are ready for winter through print, broadcast and digital media channels	Our campaign reached over 8 million people	£201,000
	BS 18477 Inclusive Service Provision standard Awarded by BSI, the verification recognises organisations which can demonstrate that their policies, procedures and services are accessible and fair to all customers	Continuing to provide an accessible service to stakeholders	£11,270
	Thames Valley: Faith and Utilities project with London Sustainability Exchange Collaboration to enhance customer communication with different faiths and minority groups across communities in our central southern England licence area	222,781 people reached online and through social media 2,780 people reached through Mosque engagements and Khutbahs	£9,891
	Warm Works Our Warm Works gap funding has helped 50 households access energy efficiency measures this year, six up on last year, it has also installed 307 measures, 69 more than last year	Average annual savings for households receiving funding – £264.65 Total lifetime savings for households – £211,720	£20,000
	PSR data sharing partnerships Increased our data sharing partnerships to include Wales and West Utilities, Home Energy Scotland, SGN, Thames Water, and NHS Highland	3,323 PSR referrals from data sharing partnerships	£0
Innovation	Electric vehicle consultation launch event Launched a consultation on EV charging, inviting views on how best to avoid potential overloads on local electricity networks caused by increases in the use of electric vehicles	Over 130 stakeholders attended two events	£7,000
	DSO transition events Seeking views from a broad range of interests, from industry and academia, to end users and consumer groups on our key principles and any other considerations as we transition to a DSO	More than 120 stakeholders influenced our future DSO plans	£27,000
	Future Networks newsletter Quarterly newsletter exploring our innovation portfolio. Each issue is sent to over 1,000 stakeholders	Ensuring stakeholders are informed of our future innovation projects and consultations	–
Customer, business and industry engagement	Annual domestic survey 2,063 customers were surveyed, helping to inform our current service provision	Face-to-face interviews help to elicit honest and meaningful feedback	£48,000
	AA1000 Stakeholder Engagement Standard Assurance of our stakeholder engagement strategy, governance and operations	Independent validation of stakeholder engagement performance using a recognised global standard	£18,000
	Stakeholder Advisory Panel Met four times in 2017/18 to discuss a range of topics, including RII0-2 and our business plan commitments	Representing the views of our stakeholders on a strategic level, providing input to senior leaders, including our Managing Director	£15,000
	External Inclusive Service Panel This new panel brings together representatives with a wide range of expertise on disability, diversity and equality	In 2017 the chair conducted a business-wide review with over 50 employees leading to 36 observations and nine actions	£10,000
	Internal Inclusive Service Panel Comprises 16 members drawn from across our business areas who share a passion for inclusivity and helping customers	14 actions, five specifically to improve inclusivity and accessibility	£10,000
	Institute of Customer Service We became a member of the Institute of Customer Service in 2017/18 with a view to achieving the 'ServiceMark' in future years	To understand how we compare to others and benchmark and improve our service and customer experiences	£30,000 (two years)
	Stakeholder engagement workshops Held two workshops in Glasgow and Reading, attended by over 80 external stakeholders	Stakeholders have influenced our business plan commitments and our approach to our social obligations and Resilient Communities Fund	£43,000

8 Independent evaluation of our engagement

Key



New



Expanded



Improved



Embedded

AA1000 Stakeholder Engagement Standard (2015)

We worked with AccountAbility to successfully achieve the AA1000SES Stakeholder Engagement Standard.

The AA1000SES standard aims to provide a reference for the implementation of quality stakeholder engagement and focuses on the need to significantly integrate stakeholder engagement activities with governance and strategies.

AccountAbility conducted an extensive programme of Interviews with selected internal stakeholders to review:

- Strategy, governance, senior management buy-in and culture
- Engagement planning and implementation
- Monitoring, evaluation and outcomes
- Consumer vulnerability

The assessment indicated the strong leadership and involvement of SSEN's senior management in not only setting the stakeholder engagement vision and approach of the organisation, but also inputting to and reviewing strategic action plans, as well as supporting the need for stakeholder feedback to drive future efforts.

AccountAbility assurance statement, April 2018



From the commitments contained in your Annual Business Plan to the Big Hairy Audacious Goals set, it is clear that customers are at the heart of everything you do and in particular care for vulnerable customers... The ethos of continual improvement was clearly demonstrated across the organisation. This was noted in the improvement actions taken following the annual survey of PSR customers' feedback. All staff involved in the audit demonstrated enthusiasm, knowledge and understanding of their roles, and there was evidence of good communication and collaboration across the business.

BSI, December 2017

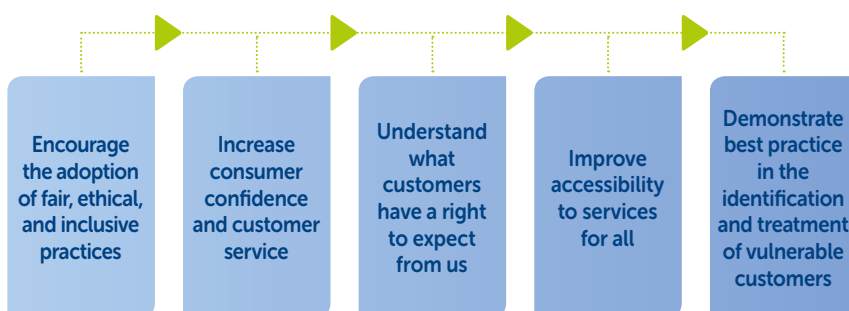
British Standard Inclusive Service Provision

The British Standard for Inclusive Service Provision (BS 18477) is the gold standard for companies seeking to respond to vulnerability.

Awarded by the British Standards Institute (BSI), the verification recognises organisations which can demonstrate – through rigorous assessments – that their policies, procedures and services are accessible and fair to all customers.

We are one of the first companies to be assessed by BSI since the Inclusive Service Provision standard assessment has been formally recognised as a verification scheme, having met the requirements of the previous accredited standard for the past two years.

Our expertise in this area has been recognised following the appointment of our Social Obligations Manager, Julie Walker, to a new working group developing an international standard for inclusive service provision. The committee met for the first time in February and Julie is the only committee member from the UK energy industry.



Institute of Customer Service

We believe customer service for DNOs extends far deeper than the incentives set by Ofgem.

Our aim is to become the best performing DNO for customer satisfaction and stakeholder engagement, whilst also comparing favourably to companies that are exceeding customers' expectations in other industries. To understand how we compare to others and benchmark our service and customer experiences, we joined the Institute of Customer Service in 2017/18.

We are working towards obtaining the Institute's 'ServiceMark', based on an assessment of the business' commitment to customer service excellence including strategy, employee engagement and customer service strategy.



The Institute of Customer Service