

# Making a Difference

## Our consumer vulnerability story

Ofgem Electricity Distribution Stakeholder  
Engagement and Consumer Vulnerability  
Incentive Scheme 2018/19  
**Part Three**



**WINNER**



**SP ENERGY  
NETWORKS**



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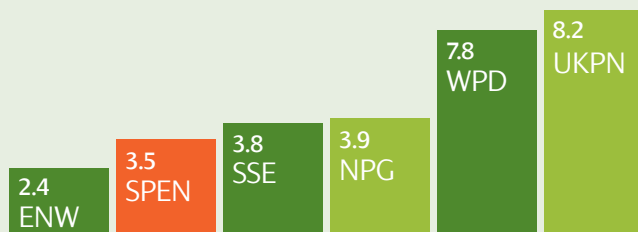
**This is Part Three of our submission to Ofgem's Stakeholder Engagement Incentive for regulatory year 2018/2019.**

SP Energy Networks is the Distribution Network Operator that delivers electricity to homes and businesses in Central and Southern Scotland, Merseyside, Cheshire, North Wales and North Shropshire. We are the only network operator to operate across three countries – Scotland, England and Wales.

Ofgem's annual SECV Incentive encourages Distribution Network Operators (DNOs) to 'engage proactively with stakeholders in order to anticipate their needs and deliver a consumer focused, socially responsible and sustainable energy service'.

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**DNO Size by Household Numbers** (Millions)



## Company size and scale

SPEN has 3.5 million households and is 5th in terms of the size of our customer base (but not the size of our ambition) when comparing all 6 DNOs.

## Welcome to Part 3

Our customers are why we exist; my priority is ensuring the safety and welfare of our 3.5 million customers, especially those who are in situations that make them permanently or temporarily vulnerable. Our first-hand experience in the field and our deep-rooted connection with our communities serve as a constant reminder that our actions, along with external factors, impact our customers in real ways.

Inspired by our commitment to deliver real, tailored support that our customers want and need in the most cost-effective and efficient way possible, we have built on our long-standing experience to develop SPEN's new consumer vulnerability strategy.

Our strategy sets out our ambition to be a service leader in the UK. In achieving our purpose, we will strive to minimise the impact on our most vulnerable customers and support them in bespoke ways – we know that vulnerability is multifaceted, and no two situations are alike. Fulfilling our long-standing ambition in the space of vulnerability while respecting our pledge to deliver value for money service to all customers required a new approach. As part of our efforts, we have developed, trialled and embedded several tools and processes which will allow us to ensure that we will always take the most appropriate course of action. In this submission, we provide more detail and real-life examples of how this new approach allows us to deliver best-in-class support to our customers.

Crucially, this enhanced vulnerability strategy was designed by considering our long-standing experience in working with vulnerable customers, the expert feedback of our partners, stakeholders and colleagues. Co-developing our strategy with those who are best placed to understand our role in addressing vulnerability while also appreciating the nuanced support

that our customers require allows us to ensure we are driving in the right direction. Our consumer vulnerability strategy, supported by our enhanced approach to stakeholder engagement (presented in Part 1 of this submission), is ever evolving – the synergies between these two strategies will ensure we are always doing the right thing for our vulnerable customers.

Our long-standing efforts in serving the needs of all customers with a particular focus on the most vulnerable have been recognised by the achievement of the **BSI Customer Service Kitemark and Vulnerability standards**. We are immensely proud to be the **first company in the world** to achieve both accreditations.

While focusing a new embedded strategy, in 2018/2019 we have made considerable efforts to push on the existing boundaries of the industry's approach to vulnerability and innovated practices. At the heart of our innovation drive for vulnerable customers are two key projects. The first is a study on **how SPEN can support those in vulnerable situations in a more connected 'DSO' future**; the second is a prototype tool that will **unify customer feedback across all channels** to provide an unparalleled understanding of our customer's wants and needs. Our industry is changing, and I want SPEN to lead the way in ensuring our most vulnerable customers are not left behind.

Overall, I am proud of the milestones we have achieved this year and the progress we have made to broaden and deepen our understanding of customers' needs and the tailored services we deliver to support them. The table below captures a few of the 2018/2019 achievements that make us proud.

**Frank Mitchell, CEO, SP Energy Networks**



Our new Consumer Vulnerability strategy is effective only insofar as it is embedded in our day-to-day practices. We have worked hard to develop the tools and processes required to empower our staff (from our executive team to our field engineers) to support customers in bespoke ways.

A deep understanding of the role we play in alleviating the detriment suffered by our vulnerable customers is embedded across all teams, from customer service to the network investment teams.

### It's a whole business approach



*"My field teams have a detailed understanding of our customer base & tailor services across each of our 11 Districts. By engaging with stakeholders we are positioning ourselves as a company at the centre of multi-agency networking to deliver wide reaching services to customers whoever they contact."* **Craig Arthur, SPD Director**



*"Through our data tool we are able to direct our resources to the communities most in need of help and track our progress, setting ourselves stretching annual targets. We have built new partnership contracts that allows us to set-up reciprocal arrangements with other organisations to leverage the reach for our customers and those of other companies as well as ensuring we deliver services efficiently."* **Pauline Ewart, Customer Experience & Social Obligations Manager**



*"I have been trained to understand the signs of vulnerability and I have the power to make my own decisions to deliver whatever support I feel my customers need. I know I can't do everything myself, but know how to get support and tap into other services. Because of this I feel I can provide my customers with the best tailored support no matter what they need. It makes me feel proud of the service I deliver."* **Johnathan Wallace, Technical Craftsperson, Glasgow District**

### Some of our 2018/19 achievements

**187k New**  
PSR households added

**New Toolkit**  
For Partnerships & Services & updated Strategy

**Benchmarked 1st**  
Against all UK service sectors in the Institute of Customer Service benchmarking exercise

**Created Total £2.11m Economic Value**  
Through our services (Sum of all benefits – costs)

**1st**  
In the world to achieve BSI CS Kitemark & Vulnerability standard

**£5.54 SROI**  
Generated (The value SPEN delivered for every £1 spent)

**1.4m**  
Customers benefited from our services this year

**New Vulnerability Tool**  
To measure gaps in our PSR against national data & community demographics. Made public and shared with partners & stakeholders

**99.6%**  
Of our customers experienced zero supply interruptions or were restored in 6 hours

**AA Standard**  
In Accessibility achieved for our website

**920k**  
Households Registered for PSR 26% of our base

**32%**  
Of customers in our Low Resilience Communities Registered for PSR

# Vulnerability Strategy

The direction and focus of SPEN's consumer vulnerability strategy has been formed through a structured process of engagement with customers, stakeholders, vulnerability experts and key staff (including our executive team) but finds its deeper roots in a strong connection with the communities we serve.

As part of the development of our new strategy, we have also looked for expert guidance, directly integrating feedback from Ofgem, the independent panel, AccountAbility's AA1000SES audit, our vulnerability partnerships and an independent gap analysis by Sia Partners, a recognised expert in the area, to signpost our improvement efforts.

This process of evolution brings us to our new vulnerability strategy – we have developed this to focus our efforts in supporting vulnerable customers and meeting our ambition to deliver bespoke services, based on every customer's needs, in cost-effective ways. The role of this strategy is to translate our aspirations to action, embedded across the whole company.

Our new vulnerability strategy consists of two elements:

- A mission statement which provides our central objective and presents what SPEN wants to achieve when it comes to supporting vulnerable customers; and
- A set of action statements that state how we will develop the capabilities we need to achieve our mission statement – these statements shape the day-to-day actions we will take.

Ultimately, the strategy is supported by a set of tools and processes which we have designed to ensure our staff are empowered to make the right decisions and act when it matters. We will introduce some of the most important ones across this document.

## SPEN's definition of vulnerability

Vulnerability is when personal circumstances combined with a situation arise to make a citizen more likely to suffer detriment. The situation can be both energy and non-energy related and can be both permanent or temporary.



## Our consumer vulnerability mission statement

SP Energy Networks aims to be a service leader in the UK. We will strive to minimise the impact we have on our communities and provide bespoke support to our customers in vulnerable situations. We will do so by offering the appropriate support to those who need it the most, in cost effective ways.

SPEN's mission statement provides a clear and concise direction to all our efforts in the sphere of consumer vulnerability. This statement builds on the vision of our former strategy, and is informed by Stakeholder feedback from customers and expert stakeholders to ensure it is fit for purpose.

To realise it, we needed to clarify and build several capabilities; a clear example of this is the challenge of delivering the most cost-effective support type to meet the needs of each customer. To do so, we had to develop the tools necessary to ensure we considered various options to satisfy a given customer need and, crucially, methods to estimate the costs and benefits of each potential initiative. In response to this challenge, we have introduced a ground-breaking approach to measuring benefits (introduced on Page 9, Part 1).

## Our action statements

Our 5 action statements complete our strategy by specifying the areas on which we will focus to achieve our mission to: deliver bespoke support to those who need it the most in the most cost-effective ways.

### 1. Engagement

SP Energy Networks will engage customers in vulnerable situations directly and through its partners to identify the support that these customers want and need. We will embed tools and processes to ensure that all aspects of our strategy and approach are shaped by those we support.

### 2. Services

SP Energy Networks will develop a portfolio of free services that effectively address the needs of customers affected by our work and alleviate the situations of vulnerability that stem from wider social issues. SP Energy Networks will strive to ensure that services represent value for money and that all customers are aware and informed on the support available to them.

### 3. Partnerships

SP Energy Networks will develop a network of partnerships to reach and deliver support to vulnerable customers in ways that maximise our impact, consistently across our networks. We will review our partnerships to ensure that they reflect the dynamics of the communities we serve and that they can support whenever we are not best placed to take action.

### 4. Data

SP Energy Networks will strive to gather and maintain up-to-date and reliable data on its customers through a wide range of appropriate methods. Data will be a key asset in informing and constantly improving our strategy and practical approach to dealing with situations of vulnerability appropriately across our networks.

### 5. Training

SP Energy Networks will provide training and support to its staff and service partners to ensure that they are well placed to identify situations of vulnerability and to apply the embedded tools and processes we have developed to support our customers.

## Engagement

## Data

# Understanding the support our vulnerable customers want and need

Inclusive and tailored stakeholder engagement is at the very core of our consumer vulnerability strategy. While we are well-placed to identify and support vulnerable customers, we are not always suited to understand what support they need. We know that each customer's circumstances make every situation different from all others – at the same time, our

experience tells us it is sometimes difficult to engage directly with vulnerable customers.

Our objectives and the obstacles we face have led us to set up tailored engagement with expert third parties who are best-placed to represent different groups of vulnerable customers and inform us of their wants and needs.

The engagement carried out is consistent with our enhanced stakeholder engagement strategy introduced and detailed on Page 9 of Part 1 of this submission. Our approach to stakeholder engagement and consumer vulnerability is fully aligned and is part of the same customer-focused business strategy.

## Examples of some of our tailored vulnerability events

	Engagement Methods	Example Feedback from Events	Example Actions	Example Benefits Delivered to / for Customers
<b>Consumer vulnerability strategy</b>	Online Survey – Testing our updated overall Consumer Vulnerability Strategy, Definition, Mission Statements & Action statements.	"How will you demonstrate the value for money?"	Led us to the application of the Social Return on Investment model to quantify the net benefit to customers across key initiatives.	Customers benefit from a new strategy that leads us to consistently identify their wants and needs as well as respond to these in effective ways.
<b>Vulnerable customers in a low carbon world</b>	Stakeholder Panels – Proposal for our strategy to support vulnerable customers as we move into a DSO world to ensure they can benefit from low carbon savings and customers are not left behind.	"There is a need to educate customers in order to encourage adoption"; "How many vulnerable customers would have disposable income to access low carbon technologies? There is a need to finance adoption of these technologies".	Additional interventions identified by the stakeholder panel which are now included in our plans.	Consumer Vulnerability in a low carbon future strategy agreed and now being progressed.
<b>Shaping our training</b>	Subject Matter Expert sessions – Skills and knowledge awareness from our partner organisations to upskill our staff and shape our processes and approach when interacting with our vulnerable customers.	Samaritans – SP Energy Networks are the experts when dealing with power cuts, however when dealing with vulnerable customers, those most in urgent need at the time, it's best to direct those customers to the experts for the help they need.	Adapted our processes to ensure we partner with organisations who can support those vulnerable customers most in need – i.e. Samaritans, Carers Trust, Dementia Support.	Providing expert support to those vulnerable customers who would otherwise go undetected. Our staff are now equipped to ensure our customers receive tailored help.
<b>Raising awareness &amp; building partners</b>	Partner Awareness – providing tailored awareness sessions to our partner organisations on all the support services we offer to customers and the benefits of referring their client base to register on our Priority Services Register.	British Red Cross – "We can work together and raise awareness of SP Energy Networks support services through our own service provisions."; "Knowing SP Energy Networks offer these multi-support services helps save us time and resources by dealing with just one point of contact and offers more support for the patients we manage."	As part of their 'Home from Hospital' service British Red Cross are ideally placed to identify vulnerable customers whose needs match the services we provide. Now embedded into their process British Red Cross refer customers into our services.	Greater reach to vulnerable customers previously unknown to SP Energy Networks. We can now provide these customers with support during a power cut and tailored additional support services.

## Understanding where we need to focus our delivery efforts

While tailored engagement with informed third-parties who are best placed to represent the interests of vulnerable customers directs our efforts in vulnerability, data plays another fundamental role – it tells us who needs help and where. SPEN serves diverse areas, it is crucial to ensure our portfolio of support is relevant across our network and consistent with regional differences. We are aware that each customer's circumstances make all situations unique; responding appropriately to each of them requires up-to-date, comprehensive data on the situations affecting them. Our efforts in this space are three-fold: we focused on cost-effective ways to **gather, maintain** and **use** PSR data.

## Acquiring and maintaining data

ADAPTED

Our updated vulnerability strategy emphasises the importance of increasing the number of vulnerable customers on our Priority Services Register (PSR), while also consistently updating this information.

We aim to acquire up-to-date data on our customers as efficiently and cost-effectively as possible. We analysed our past data acquisition efforts that indicated that the vast majority of sign-ups come from organic channels. This finding is critical to inform our data acquisition strategy and ensure it is consistent with our focus on value-for-money.

Our approach to data acquisition is mature – after years of experience in growing our PSR datasets we have learned what works well and what activities should be avoided. We have now moved into a new phase of data acquisition where our primary focus is on ensuring that our PSR contains all those

who would be on it. To do so, we identified and quantified PSR gaps for specific hard-to-reach groups. These gaps have been identified down to LSOA level (Lower Super Output Area), and have been mapped and made available to our partners via our website.

When SP Energy Networks does use targeted events to acquire PSR data and fill gaps, analysis of our activities has shown that bespoke, low volume events represent the most efficient and value-for-money approach to do so. Larger events continue to be extremely valuable for promotional purposes – we will continue to hold events to promote the PSR and the associated services, but these events will not be hosted for the primary purpose of acquiring PSR data.

We now have 920k households registered on our PSR (26% of our customer base and 32% of Low Resilience Communities).

## Acquiring and maintaining data continued

### Sources of PSR sign-ups 2018

Thanks to our data we have a clear understanding of the situations of vulnerability and wider social circumstances present across our diverse areas.

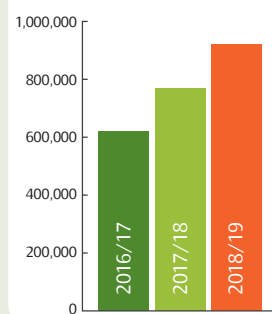
### Example of our PSR Gap Analysis – New tool

DISTRICT	PSR Category	Number of people	PSR records
Ayrshire & Clyde South	Blind or partially sighted	2640	1883
Ayrshire & Clyde South	Dementia	5289	1173
Ayrshire & Clyde South	Dialysis	1131	187
Ayrshire & Clyde South	Disabled	40902	14076
Ayrshire & Clyde South	Families with young children 5 or under	22580	3647

### Mosaic



### PSR Households



## Case Study: A new tool assists us in filling PSR data gaps

NEW

We have added a new tool to help direct our efforts in filling PSR data gaps. This tool has been created by joining our PSR dataset along with various other purchased and publicly available data. Sophisticated algorithms have been applied to estimate the number of those who may be affected by a specific situation of vulnerability (and therefore should be registered on our PSR against a specific category) across our communities. Comparing the resulting dataset to our existing PSR records gives us an unprecedented granular view of data gaps by PSR category for each LSOA.

We have studied the future outlook of vulnerability situations in our network and focused our data acquisition efforts on those that are expected to grow. Two such high growth categories are 'Blind &

partially sighted' and 'Pensionable Age'; over the past year we have more than achieved our PSR target for both categories; we now have nearly 1 million PSR customers registered against the latter. Focusing on those situations of vulnerability that are expected to grow, allows us to future-proof our database and ensure that we support as many customers as possible in tailored ways.

We set ourselves stretching annual targets through to 2023 to reach and register 80% of customers in each of our vulnerability categories based on the available data for our postcodes. The table below shows how we have performed against the 2018/19 targets and the future trend for each category.

PSR Categories	SPEN Target 2018/2019	Gap Closure 2018/2019	Trend	Future Outlook Focus on Scotland	2019/2020 SPEN Target
Blind and partially sighted	31,700	34,962 = 110%	Increasing	2028 expectation = 56,000	36,918
Mental health	42,899	47,030 = 110%	Increasing	Year-on-year increase	49,132
Pensionable age / elderly	910,900	973,243 = 107%	Increasing	2020 = 1,004,000; 2030 = 1,139,000; 2040 = 1,317,000	1,031,002
Disabled	267,400	283,522 = 106%	Decreasing	Slow decrease, unknown long-run expectations	343,900
Dialysis	2,974	3,109 = 105%	Stable	Unknown	5,211
Families with young children 5 or under	92,361	89,836 = 97%	UK-wide: increasing	Unknown	165,340
Prevalence of dementia	21,300	20,422 = 96%	Increasing	2036 = 164,000	45,072
Non-English speaking	4,324	3,603 = 83%	Decreasing	Projected figures unknown (indication of decrease is present)	14,921

Crucially, this tool is not for our use only. Instead we have made it available to all of our vulnerability partners & stakeholders. Sharing this data with wider stakeholders and partners provides other organisations with valuable data they would otherwise have to pay for and create themselves.

"SP Energy Networks have shared their new data tool with us and we are about to embark on a pilot to use the tool to identify customer vulnerabilities during our planned replacement and repair works. The tool will help us identify specific vulnerability categories such as Dementia for promotion of Locking Cooker Valves. SP Energy Networks and SGN are also proposing a pilot to work collaboratively to promote SPEN's Carers Support Services and SGN's Locking Cooker Valve."

*Barbara Whiting, Head of Stakeholder Engagement SGN*

The tool, which can be found at [www.spenergynetworks.co.uk/pages/our\\_vulnerability\\_map.aspx](http://www.spenergynetworks.co.uk/pages/our_vulnerability_map.aspx) does much more than helping us in targeting PSR data gaps. In addition to our PSR category gaps, the website provides a detailed view of socio-economic and wider demographic issues. The data can be viewed at District level for our own internal use to help target our resource and understand community make up but can also be viewed at Local Authority, Ward and LSOA level meaning the data can be used by numerous organisations effectively.

This innovative tool is in line with our ambition to lead network innovation and reflects our understanding that there is no one-size-fits-all to vulnerability: to properly respond to a customer's needs one must be aware of the wider social issues that affect our diverse communities. It also supports our ambition to be a nexus organisation developing tools that sit at the heart of multi-agency working and avoid duplication of effort across our partnerships.

### Focus on dementia

From our research the future outlook for dementia shows the greatest increase over the next 20 years. This vulnerability category has been particularly challenging in terms of closing the gap between our PSR records compared against national statistical data. Our efforts to make direct contact with dementia customers were met with difficulties due to their diminished abilities to sign up to our services or recall attending our events. However, where we could link up with dementia customers families or carers we found we had better success. As a result of this we built relationships with partners such as Carers Trust, Alzheimer's Scotland, Parkinson UK, Sporting Memories Network and many more and worked with them to help shape our strategy and build our knowledge of this customer base. These partnerships along with using the vulnerability tool has allowed us to target specific geographical areas where our gaps are greatest resulting in us achieving 96% of our 2018/19 target.

## Engagement

## Data

# Understanding the support our vulnerable customers want and need

## Maintaining and updating our data

EXPANDED

Over the past year, we have continued our 2-year PSR checks with customers and have contacted all those on our register to confirm they would like to remain on it and to ensure that their data is accurate. Our long-standing experience tells us that to ensure we reach all customers within this timeframe we need to employ a wide range of channels. Different channels are most appropriate for different groups of customers, this year we have used calls, emails, texts, letters and face to face visits to reach over one million customers.

We know that some customers are only temporarily vulnerable – to reflect this we allow for 'timed' PSR sign ups, based on the duration of a customer's situation. Before we remove these customers from the register we contact them and ensure they are no longer affected by a situation of vulnerability.

At the time of writing, 35% of our PSR records are less than two-years old, and 20% are less than one-year old. Our register has increased by over one-third in the last two-years.

The efforts we have made to acquire and maintain comprehensive data in value-for-money ways only comes to fruition if we use this data effectively and for the right purposes. In 2018/2019 we have continued to build on our strong legacy of using vulnerability data across the organisation to make a difference for vulnerable customers. Our mature approach to managing and updating data allows us to ensure we have no consistency issues.

**920,000**  
households registered  
for PSR as at 31/03/19

**35%** of PSR Households  
have been registered for less  
than 2 years

**2,427** households  
removed who had registered  
a temporary vulnerability

**99.5%**  
PSR portfolio has been  
validated in last 2 years

**84%**  
of our PSR  
portfolio has  
complete data

**286,000** phone numbers  
removed and **101,000**  
numbers added as part of our  
data cleanse

In addition to using data as shown by our vulnerability mapping tool, we have continued to share insights with our Field Teams and contractors. It's everyone's responsibility to check the data we hold and identify new vulnerable customers who need our support and we are always looking for ways to improve our datasets.

## Case Study: Using our data to make a difference

EXPANDED

### Proactively Making a difference during Investment & Maintenance Works

Last year we explained how we developed a new process for our field teams and contractors when we carry out planned investment work and maintenance. We have further built on this in 2018/19. Our teams visit customers 6 weeks before planned work is due to take place to explain face to face what is happening and why. At the same time we make sure we fully understand the needs of our customers registered for Priority Services and also this visit gives our field teams an opportunity to identify new customers for PSR we may not have reached. Our new mapping tool also gives our field staff information on the make-up of the community they are working in.

We have improved a number of areas this year by introducing a **rigorous approvals process** to ensure customers are not impacted unnecessarily, we hold **weekly performance calls** with all field teams and contractors to look at performance as well as quarterly **face to face workshops** to

look at who is performing best across the business and share best practice. We also hold **Director led calls every week** across the management structures to hold teams to account on performance.

Our field teams have customer **contact rates embedded into their performance goals** and our **contractors have this embedded into their commercial contracts** to ensure we achieve **100% contact** with our vulnerable customers. This year we have also introduced **early warning reporting** to give clear visibility of their performance against these targets ahead of key deadlines to ensure they are met. Managers also conduct regular **quality checks on site** to test the quality of the conversations on the door step with customers and also check the **quality of the data collected**.

A **leaflet** has been produced to give additional information when we supply **generators** to customers to keep them on supply and we have adapted our handy hints on our outage letter for customers with **solar panels/turbines** as a result of feedback from customers.

### Prioritising Vulnerable Communities for Investment

Last year we also described how our understanding of vulnerability influences our investment priorities. Each of our network circuits are weighted based on a number of factors such as asset health, fault performance and customer vulnerability and ranked in order of overall priority for investment, this was refreshed in 2018/19.

Network performance is monitored and reviewed every month with each District through a programme of interface meetings to ensure investment is prioritised correctly and short term performance issues are addressed quickly. We have further embedded the use of our 'Genie' tool presented in last years submission and as a result 99.6% of our customers have had no supply interruption or have been off supply for less than 6 hours.

## Services

# Delivering the support our vulnerable customers want and need

In the previous section, we have seen how we have tailored our engagement to inform our approach to consumer vulnerability and how we made efforts to gather and maintain the data we use to identify those who need support.

In this section we will present our approach to delivering this support to those who need it the most – this is the cornerstone of our efforts to address vulnerability. In summary, we do so by offering services (i.e. actions, initiatives designed to satisfy customer needs or alleviate the adverse impact we could have on their wellbeing) and by entering into partnerships to deliver them if we are not best-placed to do so.

As part of our efforts to enhance our vulnerability strategy in 2018/2019, we have built on our long-standing experience to develop two clear strategies that set out how we handle all aspects of our services and partnerships.

## Case Study: Embedding our service strategy ADAPTED

We have designed three templates that support us in selecting a service to offer, reviewing the service, and deciding whether to amend, cancel, or expand it. Using these templates ensures we have a consistent approach to developing, updating, and making decisions about the services we offer for customers and we can ensure all our services are fit for purpose.

- The first is the **Service selection template**, which helps SP Energy Networks staff choose which services should be provided in order to fulfil a customer need. The document allows us to consistently select the most valuable service to our customers by comparing the options across a variety of metrics.
- The next is a periodic review of each service – the **Service review template**. With it we can review the performance of the service and identify any lessons learned.
- Finally, these templates will be taken into account when SP Energy Networks decision makers use the **Service decision template**. Filling out this template allows us to identify whether we should amend, expand, or cancel each service.

### As a result we:

- **Expanded** our service offering to include Carers Support
- **Stopped** promoting grocery shopping – however still offer this where it is available and the best fit for an individual customer

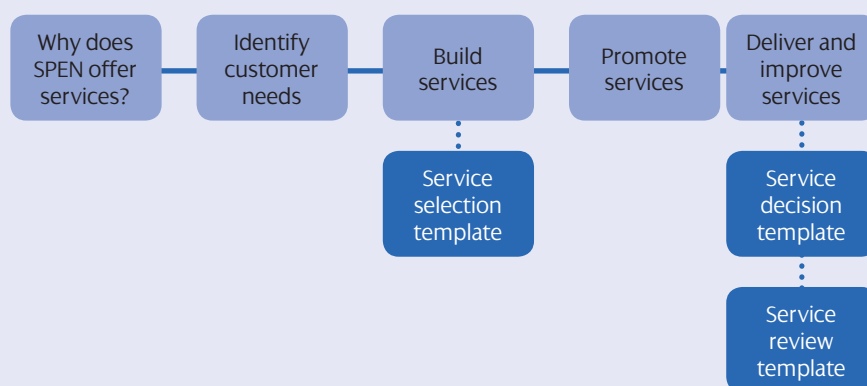
## Our new service strategy

ADAPTED

One of the most important ways we support our customers, especially those who are vulnerable, is through the services we offer. Our updated service strategy lays out how we select, build, promote and review our services. This strategy ensures that our services are tailored to address the wants and needs of customers and that we always deliver them in an effective and cost-efficient way.

### Our embedded service strategy

We have developed a bespoke service strategy to embody our ambition to deliver best-in-class services in a cost-efficient way. To bring the service strategy to life, we have developed tailored tools and processes that our staff can adopt.



SPEN offers a total of 32 services. Some of these services are offered to vulnerable customers as part of our business as usual activities, the objective of these services is to support customers in a power cut and facilitate easy communication with us. In addition to these services, we have developed a number of additional services that support customers above and beyond our license conditions – these are aimed at maximising their wellbeing and dealing with societal issues. We offer these services because we are well placed to respond to the situations we encounter at the door.

We review this portfolio of services with expert stakeholders and partners to ensure that what we are delivering meets the needs of vulnerable customers meaningfully. Having a wide portfolio of services allows us to respond to a vast range of circumstances we may encounter. Regardless of the range of service we offer we are aware that each situation is unique and that to properly support our vulnerable customers we need to be flexible and ready to take whatever action is necessary.

### Some examples of BAU & Additional Services

<b>Business as usual</b> 	SP Energy Networks provides services for all customers as a part of business as usual activities, such as connections and outages.	If a customer calls the faults team and their number is on the PSR register, they will be automatically placed at the beginning of the queue.
		SP Energy Networks staff identify PSR codes indicating temporary vulnerability before proactively contacting customers and tailoring the interaction to the customers' needs.
		SP Energy Networks has achieved the AA standard in Accessibility and offers a range of accessibility options including text relay for deaf customers.
<b>Additional Services</b> 	SP Energy Networks provides services that fall outside of business as usual activities. These services are targeted at vulnerable customers, and are often delivered with the support of a partner.	SP Energy Networks partners provide services to ensure customers are receiving the maximum income.
		SP Energy Networks' partners provide befriending services to combat loneliness and build social resilience.
		The National Fires & Rescue Services provide free fire and home safety checks to customers, including a falls and trip assessment for SP Energy Networks customers.

## Services

# Delivering the support our vulnerable customers want and need

## Ensuring we pick the best possible services for our society as a whole

NEW / EXPANDED

At the core of every service we offer there is a clearly defined customer need. The tailored engagement we perform with partners and stakeholders in this field, as well as the direct experience of our field staff can all point to unserved needs (and also ensure that our service offering is always up to date).

Our experience tells us that any given customer need may be solved in different ways. We are well placed to pick the one option that brings about the most benefits to our customers and society as a whole. To facilitate this choice, we have employed our newly developed method to measure outcomes, presented on Page 10 Part 1 of this submission.

For each customer need we workshop potential options, gather feedback from stakeholders, partners and our field staff on the feasibility and desirability of each of these. We also forecast the financial and societal benefits that each of them would deliver based on our best assumption of how each option would materially impact customers.

By employing these tools and processes, we ensure we consistently pick the best possible service – in other words, the one that brings the most value-for-money to all customers. We are proud to provide a truly inclusive service. While our services are targeted proactively to our vulnerable customers, services are also offered to customers not signed up to the PSR.

### Some of the 32 services we offer

Service Name	Service Summary	Volume	Total Costs	Total Economic Value	SROI
SMS updates during faults	Proactive text messages sent to each customer on every update	165372	-£8,269	£97,569	£12.80
Inbound fault call – IVR Messaging	Provide message for power cuts to facilitate speedy updates	79031	£0	£50,580	£0.00
Power cut – web lookup function	SPEN website offers a post code lookup function to display live fault info	472344	£0	£302,300	£0.00
Voice to landline updates	This is a proactive pre-recorded message by one of our agents which is sent to customers landline phones in a power cut	107765	-£5,388	£63,582	£12.80
Restoration calls	Restoration calls to all customers to check everything is ok	104522	-£4,181	£62,713	£16.00
Dedicated PSR phone number and PSR prioritisation	Prioritisation for PSR customers in call queue and dedicated welfare line	5460	£0	£5,706	£0.00
Face to face visit to customer's premise 6 weeks before planned work	Proactive face to face contact to understand customers' needs during planned work and identify new PSR customers	19355	£0	£25,742	£0.00
Food Vans	Providing food to customers in large events and prolonged outages	1244	-£38,150	-£16,347	£0.57
Personal support for vulnerable customers	Personal support to vulnerable customers including: Transport Support (eg uplift of medical supplies) and welfare assistance	1765	-£23,330	£12,177	£1.52
Hot food provided	Food provided during storms of extended outages	1075	-£9,158	£561	£1.06
Generator provision	Provide generators to support vulnerable customers in faults & planned outages	18232	-£57,042	£15,214	£1.27
Braille and large print correspondence	Braille & large print (all correspondence can be formatted on request)	32	-£64	-£55	£0.14
Website accessibility to AA Standard	'AA' certified website to WC3.org international standard for accessibility which requires 28 key measures	7093	£0	£2,022	£0.00
Adapt proactive contact to situations of transient vulnerability	Facilitating customers to register vulnerabilities for a temporary period	6436	£0	£0	£0
Be safe checks	Use of PSR codes prior to attending sites where a customer has provided a password or asked for someone to be present with them (Being safe)	1799	£0	£187,364	£0
Personal support during an outage	Dedicated person on site to provide support during outages, welfare vehicles on-site to provide warm drinks & other support and winter packs	5300	-£200,996	£544,451	£3.71
Connections assistance	Free of charge 'alterations to power supply' where it will deliver improvement to quality of life	12	-£9,592	£118,858	£13.39
Good food & friends	Hot meal delivery & Befriending	52	£0	£3,812	£0.00
Befriending	Face to face and telephone befriending to combat loneliness	1092	£0	£588	£0.00
Energy advice	Financial advice, Energy efficiency, Home improvements such as double glazing, WHD vouchers and Carbon monoxide alarms, electric heating, hot water systems and new boilers	234	£0	£8,891	£0.00
Best tariff	Tariff comparison	188	£0	£31,208	£0.00
Benefits check	Face to face home visits & telephone support as well as on line & web chat advice to get customers onto the maximum income	49	£0	£49,007	£0.00
Fire safety	Home fire safety assessment visit to assess customers property and provide free equipment	72	£0	£10,927	£0.00
Help in a Power Cut	Providing customers with information on what to do in a power cut	967	-£967	£1,403	£2.45
PSR Sign-ups	Customers Registering for Priority Services	187627	£0	£440,923	£0.00
PSR data refresh	2-yearly refresh of PSR data	232652	-£107,020	£93,061	£1.87

Net Value: £2,576,697

Total Cost: -£464,783

Total Economical Value: £2,111,914

SROI: £5.54

The total economic value = (the sum of all benefits minus the sum of all costs).

The Social Return on Investment (SROI) = the present value (sum of all benefits in this year) of our services portfolio divided by the total costs.

Please note where the SROI value is neutral:

- This £ benefit has been delivered by our service partners and meets our cost efficient strategy. In return we offer to partners various ways to benefit from working with SP Energy Networks such as access to the vulnerability mapping tool to allow them to shape their own strategy,

volunteering SPEN staff time and hosting events to name a few.

- For SP Energy Networks services, this is due to the total costs being covered by a wider business service, such as staff costs / overall website costs etc, and therefore we don't attribute single costs for individual elements.

NB: Our social values have been delivered following a detailed piece of work with Sia Partners and supplemented with research SPEN undertook as well as a joint piece of research across DNO's.

## Partnerships

# Partnership Strategy

## Our new Partnership strategy

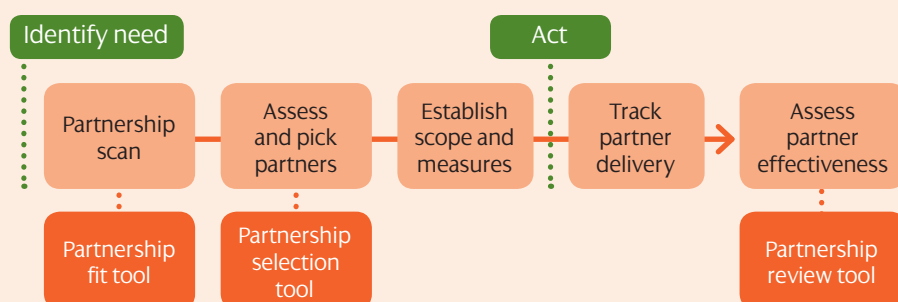
ADAPTED / EXPANDED

The services we have designed are only one part of the equation to support our vulnerable customers in cost-effective and efficient ways. While services are what we offer, partnerships are a large part of how we deliver to vulnerable customers. Our experience tells us that while we may encounter situations at the door, we are not necessarily best-placed to deliver support that is not tied to our business-as-usual operations. Partners can bridge this gap by acting as trusted third-party organisations that our customers will be comfortable in engaging with and who have the expertise required to deliver the additional services we have included in our portfolio.

Using partnerships ensures we are delivering the most value to customers for the lowest possible cost. We have restructured and improved our approach to partnerships, building upon our past work in the area. This ensures our partnerships are structured around a clear outcome, and are consistently selected, evaluated, and managed.

### Our embedded partnership strategy

We have updated our five-step process for selecting, reviewing, and making decisions about partnerships. This process ensures that we can consistently justify the decisions we make about our partners.



By placing a clear customer need (the set of which is constantly reviewed by engaging partners, stakeholders and customers where appropriate) at the heart of our partnership strategy we can ensure that each partner has a clear, defined and value-adding role in our approach to vulnerability.

## Case Study: Embedding our partnership strategy

We have developed three tools to review partner effectiveness:

1. Partner scan
2. Partner selection tool
3. Review tools

We use these tools to identify limitations and overcome them.

As a result of our regular partnership meeting to review performance and opportunities we met with Scottish Fire and Rescue, we identified that whilst they were a good partnership for service delivery, there were missed opportunities with regard to referring into our other services.

As a result we have engaged with Scottish Fire and Rescue as well as Mersey Fire and Rescue, which has led to discussions with the National Fire Chief. We are now embedded into their Home Fire and Safety checks where our services are promoted as part of their visit. This visit includes a fall assessment, blood pressure checks, bowel cancer & screening along with the fire safety checks and equipment. Fire & Rescue have links with the Health and Social Care Partnerships who support customers through Occupational Therapists where this was appropriate.

## Partnerships for service delivery and referrals into our services

66 Partners – Covering Scotland, England & Wales

54 Service Delivery		7 Referral In		5 Service Delivery & Referral In	
38 Charities	12 Local Authority Projects	5 Utilities	5 Non-profit organisations	4 Housing Associations	2 Emergency Services

## Case Studies:

### Working with partners in value for money ways

We are well aware of our role in delivering a safe and reliable service in value for money ways to all our customers. At the same time, we know we play a key role in addressing the wants and needs of our vulnerable customers.

While these two roles are broadly consistent, supporting our vulnerable customers does come at a cost. No penny should be saved to sacrifice the quality of our support for our vulnerable customers, however we need to relentlessly review our approach to ensure we are acting in the most cost-efficient and effective way; only by doing so can we be truly successful with respect to the role we play.

The pressures described above were a key driver of our enhanced partnership strategy – To ensure we maximise the value-for-money aspect of each partnership we have taken the following steps:

1. **We consistently pick the best possible service** – by employing our newly developed methodology, we forecast financial and societal benefits of each proposed service to pick the one that will result in the most benefits for our customers.
2. **We bring partners in when we are not best-placed to perform an action or deliver an initiative** – By doing so, we can ensure we are not duplicating work with our partners and realise our ambition to allocate resources efficiently so that all our customers can save.
3. **We ensure we pick the best possible partner** – we have described how embedding the 'Partner selection' tool we can demonstrably select the best possible partner to help us reach our goal, whatever it may be.
4. **We have developed a clear partner support offering** – our partner offering is a portfolio of free support that we provide partners to enhance the way they support our shared customers. Key examples include volunteering time from our staff & facilitation space for training and events.

We are proud of the way we deliver maximum benefit to our customer in a cost effective way and partners play a key role in this achievement.

## Training

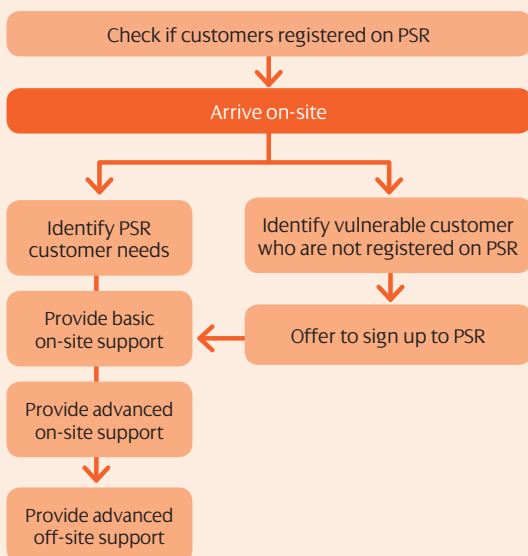
# Enabling the effective delivery of support to vulnerable customers

## Empowering our staff to go above and beyond

We have built a portfolio of services based on the needs of our vulnerable customers but our experience tells us that every situation of vulnerability is unique.

Our customer-facing staff will come across a multitude of situations when on the doorstep. To ensure we really deliver the support our customers need, quickly and consistently, we have developed a standard escalation process. This allows our colleagues to take quick action to address any immediate customer need without being bogged down by bureaucracy.

In addition to the support being provided on the doorstep, we sign customers to the PSR and refer them directly to our wider portfolio of service. This process ensures we can consistently add value to our customers in meaningful ways.



## How training allowed staff to identify a critical situation on the doorstep

A power cut occurred in our Central & Fife District and through our PSR we identified two hearing and speech impaired customers impacted by the fault. A member of our field team visited their property to understand the support they needed. He identified that the customers were very anxious and not comfortable to engage with him face to face.

Empowered to meet the needs of his customers, he set up a process whereby he could communicate with them through "Post It" notes on the customers window, meaning the customers could have a two-way conversation in a manner they were most comfortable.

This shows how our field teams use their vulnerability training to tailor solutions for each individual customer.

## Approach to training

EXPANDED

So far, we have seen how all aspects of our strategy drive towards value-for-money support that our customers really value. To ensure we can maximise the number of customers who can benefit from this portfolio of services we need to ensure all our staff, from the executive team to the operational field staff and our contact centre are trained to:

- Effectively identify signs that may indicate a customer is in a vulnerable situation;
- Identify the right action that will meaningfully help a customer in need and escalate it;

- The range of services we or our partners can deliver;
- How to best approach a discussion with a customer on such a sensitive topic.

Recognising the importance of training, in 2018/2019 we have further increased our efforts in this space. We have added a specialised resource to our team whose sole responsibility is to continuously improve training and ensure that 100% of our staff are trained to identify and deal with vulnerability. Also to train specific staff to be specialised in dealing with each and every vulnerability category.

## Case study: Focus on Vulnerability Training

We have provided 100% of our customer facing and project management staff with general vulnerability training for two years in a row.

This training has a focus on emotional intelligence, how to listen to customer needs, and understanding of the PSR, our services and partnerships as well as general guidance on how to identify and deal with vulnerable situations. This training is refreshed on an ongoing basis – we make use of alternative training methods, like face to face and e-learning classes, to ensure our colleagues stay up-to-date.

We also provide issue-specific training that covers in detail specific situations of vulnerability. This ensures our staff take tailored responses to unique customer needs. Issue-specific training includes:

- Samaritans training to deal with customers who are expressing suicidal thoughts
- British Sign Language training for field customers to communicate with our deaf and hard-of-hearing customers

- Dementia training providing awareness to our team of how it feels to be a dementia sufferer and how their communication and behaviour can be tailored to help
- Winter preparedness training to deal with common issues that our vulnerable customers experience across our communities in winter time.

Like our broader vulnerability strategy, our training programmes are informed by the characteristics of vulnerability within our networks today and in the future. Research we have undertaken in 2019 has shown that dementia will be ever more prevalent in our communities in the years to come.

We also partner with ICS (Institute of Customer Services) to accredit our staff through training programmes for customer service and vulnerability shaped by our vulnerable partners. A further 102 front line staff went through ICS accreditation this year.

### Training Model

Call centre staff

Customer facing field staff

Customer facing contractors

All other colleagues

### GENERIC VULNERABILITY TRAINING

Signs of vulnerability, Dealing with customers in vulnerable situations, SPEN's portfolio of services, our partner organisations, the PSR

### TOPIC-SPECIFIC TRAINING TO SELECTED COLLEAGUES

Samaritans, British Sign Language, Dementia Friends, Winter Preparedness



## Engagement

## Data

We have seen how SPEN has embedded an enhanced consumer vulnerability strategy to identify the support required for our vulnerable customers and deliver this to them in value for money ways. To ensure that all these efforts really deliver the benefits we have envisaged, we rely on two key aspects of our strategy:

1. Promotion of the PSR (and the associated services)
2. The vulnerability training we offer.

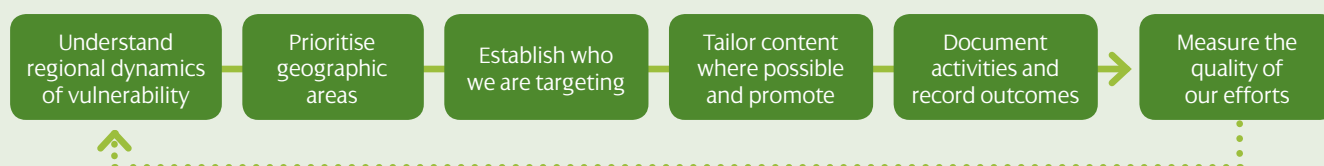
Together, promotion and training allow us to ensure that our delivery efforts are effective and efficient. We have already explained how we train our teams the next section explains our approach to promotion.

### Data-led approach to promotion

EXPANDED

The value-for-money services our customers want and need can only deliver the benefit we have envisaged if vulnerable customers and their loved ones are aware of them. Our experience tells us that our customer base does not necessarily have a clear picture of who we are, what we do and how we can support them – efforts are needed to ensure that the public is aware of the PSR's existence as well as the wider support that is offered to all of our customers.

In addition to the general benefit of awareness, promotion plays an important role in our data acquisition efforts. In 2018/2019 our vulnerability mapping tool has shed light on areas where we have significant PSR gaps – as a result, we have taken steps to arrange for tailored and targeted promotion in these areas.



Informed by our PSR data (and additional purchased and publicly available data) we take a structured approach to tailoring promotion to target stakeholders and/or the specific vulnerability dynamics of a given area (down to LSOA level).

### Examples of our vast range of promotion initiatives

Promotional Channels	Community Initiatives	Health Initiatives	Other Events
Bus and Train Station Campaign	x79 Network Natter sessions	Age Scotland Networking	x42 Local Authorities – 'Emergency Planning Officer' winter preparedness sessions
Community Mailing	Age Concern	Alzheimer Scotland	Fire & Rescue services for our licence areas
Digital Display Advertising	Anglesey agricultural show	Alzheimer's Society	x10 Local Authority engagement days
SP Energy Networks Friends & Family campaign	Auchtermuchty Warm & Well	Chester Fire & Rescue	Anglesey agricultural show
	Cheshire and Warrington Carers	Deaf & Blind Society	Borders union show
High Street Poster & Postcard hand-outs	Good Trees neighbourhood centre	Deaf Blind Scotland	East Kilbride cattle show
Organic Social Media Posts	Home Start Glasgow	Disability Action Day	Royal Cheshire Show
Radio Campaign	Larkhall District Volunteer Centre	Disability Trading Company Day	Royal Highland Show
ScottishPower Friends & Family	Lunch Club	Formby Memory Café	British Red Cross partnership session
Shopping Centre Promo	Older and Active EK Community Café	Glasgow Golden Generation	
Social Advertising	Poppy's Café, Liverpool	Greater Glasgow Health Board retired members	
STV Online Advert	Social Bite/Housing First	Intensive Care Society	
YouTube Advertising	The Carers group network	Maggie's	
	The Carers trust network	Milngavie Dementia Café	
	The Church of Scotland	Muirhead & District Senior Forum	
	The Food Train network	NHS	
	Wirral Foodbank	Paisley Macular Society	
		Parkinson's UK	

### Case study: Tailored promotion of PSR and associated Services

Using our Vulnerable map tool, Glasgow local authority displayed the highest PSR gap for Pensionable age customers. As such we targeted our engagements with pensionable groups in this area and successfully achieved this year's targets.

### Challenging targets for next year

For the coming year we have set ourselves challenging targets. These targets reflect our twofold ambition to deliver value in innovative ways and to always ensure we are maximising the positive impact to customers.

1	To perform a literature review of research from academic and governmental sources on all PSR categories and use this to formulate a long-term plan to evolve our portfolio of services.	4	To produce a report, working with all relevant stakeholders, on the interactions that vulnerable customers will have to perform to benefit from a Distribution System Operator (DSO) future and share this.
2	To contact customers who have benefited from our services to verify that the assumed financial and societal benefits of the support we delivered has materialised and should continue to be counted/estimated.	5	To close the gaps in our PSR with the aim of achieving 80% coverage against nationally available data by 2023.
3	To position SPEN as a nexus of partner organisations further developing our reciprocal arrangements and multi-partnership approach to increase outcomes whilst ensuring costs are not duplicated across organisations.	6	To review the societal and financial benefit of every service and/or initiative according to our new method to continue to refine our measurable benefits.



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