Question 1: During 2019-20 we introduced Social Return on Investment (SROI) analysis to enhance decision making by quantifying wider social benefits and applying a monetised value. This had a dual purpose: 1) to inform prioritisation of projects and initiatives under evaluation; and 2) to measure the wider benefits of projects which had been delivered helping us to evaluate the success of the project and identify lessons learned.

Whilst consistent use of this approach removes subjectivity around social value it is just one of the many decision making tools we use to **triangulate results** with output from insights such as qualitative stakeholder feedback and other data sources such as Willingness to Pay or the data from our Customer Mapping Tool (CMT). A decision tree and user guide were created to ensure **a clear and consistent understanding and approach to when and how we use SROI** (SECV submission Pt1, p7). During 2020-21 we will further develop the approach to incorporate new learnings and best practice.

The SROI model was used to evaluate the success of initiatives during 2019-20 and prioritise projects for 2020-21. For example, during 2019-20 stakeholders told us we must continue to support consumers in fuel poverty working through partner agencies. This was in line with 2019 Willingness to Pay research that valued supporting consumers impacted by fuel poverty above other initiatives. The model informed our review of whether projects be **continued**, such as the Energy Advice Partnership (Pt3 p.8), **adapted**, as with the CMZ roll out in island communities (Pt2 p.9), or **discontinued** (none this year).

When conflicts arise between SROI output and other research and/or business priorities, we look to **retest areas of conflict with stakeholders** and if necessary, identify alternative solutions. To maximise value, we seek input from stakeholders who are best informed on the subject matter. If a conflict remains, we **use our internal Governance framework to reassess evidence and reach a decision** (Pt1, p4).

In 2019-20, SROI was used to **evaluate the YES Energy Solutions partnership**, confirming **value was delivered** through a positive SROI which measured financial benefits such as Warm Home Discount, Winter Fuel Payments and supplier switching advice (assumed 23% take up rate). Social factors such as increased financial skills and the associated health benefits of living in a warm home were also measured based on financial proxies and probabilities identified through sources such as HM Treasury Green Book and research from the University of Kent relating to the Unit Cost of Health and Social Care in 2019. We have **reassessed the expected value for 2020-21 and determined the initiative continues to deliver positive value** whilst being consistent with other data points such as WTP research and stakeholder insights. This led to our decision to extend the partnership in 2020-21.

All SROI results detailed in our 2019-20 submission reflect in-year benefits delivered and appropriate sharing factors from partner funding. An average net benefit of £3.15 per £1 was delivered in 2019-20, rising to £5.72 per £1 if total SROI is used.

Question 2: SSEN's network areas are characterised by their differing geographies, network characteristics, demographics and political jurisdiction. Our operational workforce, corporate affairs and engagement teams are embedded within our network areas to ensure proximity to our customers and stakeholders and a real understanding of their needs and the issues they face. Three core factors guide our approach to engagement recognising these differences. They include **(i) stakeholder led priorities, (ii) use of data (iii) and local insights.** These factors are not siloed from one another, each brings specific value to the method, which complement, enhance and authenticate our process. Below we provide examples of how each factor has helped us select and deliver initiatives taking account of regional differences and specific stakeholder needs.

The strategic themes featured in our submission were informed by specialist reports and commissioned surveys, such as our report from the Centre for Sustainable Energy (CSE). These were further developed by **stakeholder led priorities,** such as those captured at regional stakeholder workshops enabling us to identify local differences in both need and priority. For example, in Dunblane 68% of participants considered EV charging infrastructure the most pressing issue for their area. This further informed the programme delivered through the Strategic EV Partnership with Scottish Government (Pt 2, p8).

During 2019-20, **use of data** shaped initial action and provided a tool to verify insights. We developed our understanding of regional fuel poverty through primary research and strategic relationships with local organisations and subject matter specialists such as Citizens Advice. The information gleaned helped us tailor fuel poverty activity with additional targeted action in specific geographic locations. Another example is evidenced in our partnership with CSE and Wessex Water to support customers in vulnerable circumstances in Wiltshire and Dorset (Pt 3, p10).

Local insights captured via our de-centralised teams empower us to take account of individual customer requirements and community needs to deliver efficient and targeted regional initiatives. For instance, in the island communities of Islay, Jura and Colonsay, local knowledge and strong relationships with customers and stakeholders meant we were able to identify a need and deliver a bespoke programme of work to improve network resilience by initiating a procurement process for flexibility services (Pt2, p9).

2019 saw significant **political changes at national, devolved and local level**, with Net Zero legislation in the UK (2050), Scotland (2045) and December's General Election creating new policy targets and political landscapes. As a result, our Corporate Affairs team prioritised decarbonisation policy (driven by Net Zero projects in Oxford, Swindon, Wiltshire and Isle of Wight Pt 2 p.8), updated our stakeholder segmentation tool and proactively targeted the newly elected cohort. Whilst this has resulted in positive new relationships for SSEN, the real success of this has been that we were able to leverage these relationships to ensure constituents' needs were met during the COVID pandemic.

Question 3: The COVID-19 crisis put the role of essential services into sharp focus and SSEN has sought to support customers, communities and colleagues while maintaining vital services. **This approach and adoption of new ways of working has been guided by meaningful stakeholder engagement** across all activities and geographical locations. From the outset, we undertook proactive engagement with our supply chain to manage and understand plant, material and transport constraints and mitigate financial concerns. We also acted based on feedback from colleagues, trades unions and consultative forums, including prioritisation of PPE and changes to working practices to maintain social distancing. Customer-facing communications were tailored based on direct insight from customers and field-based teams, such as acceptance of street works and the scheduling of planned interruptions around homeworking (Pt2, p1).

Industry engagement has also played an important role, with liaison across energy networks, utilities and national, devolved and local governments. This included bilateral meetings with a DNO from northern Italy, Enel, who were able to provide foresight on their approach to operational continuity, the learnings of which were shared across UK networks. We have also consulted with our ED2 CEG and Stakeholder Advisory Panel, who advised on external COVID perspectives and continue to shape our 'exit strategy'.

COVID-19 has, understandably, altered our methods of engagement and we undertook an early review of our delivery plans as lockdown commenced. Based on improvements in digital communications, we **were able to make a quick switch to digital engagement,** replacing two face-to-face events with virtual workshops in March 2020 (Pt2, p1). This included digital focus groups, replicating table discussions, which received positive feedback. We have since delivered over 20 online engagement events since April, including events targeted at segments such as Local Authorities and Distributed Generators to help shape services and policy. At a local level, this extended to 'virtual coffee mornings' for informal engagement. Lack of restrictions on travel and associated financial barriers has resulted in **higher levels of attendance when compared to pre-COVID,** but we remain vigilant to issues such as digital exclusion and stakeholder fatigue.

Our submission contains multiple examples of how **engagement shaped our ability to deliver more for customers and communities**. This included seeking views from consumer advocates and community groups on repurposing our [£350k Resilient Communities Fund](#) and additional support provided to vulnerable customers, including [expansion of our PSR](#), outbound calls to PSR customers in high areas of isolation (Pt2, p1), and dedicated communication routes for critical sites. Feedback also guided what we didn't do e.g. expanding PSR to keyworkers. We also utilised digital communications channels, issuing regular stakeholder updates and running a social media campaign that gained 3.9m impressions and 9,350 interactions. The full impact of COVID-19 is yet to be defined but it is a key consideration in determining our initiatives and engagement in 2020-21.

Question 4: In December 2019, we launched our [Digital Strategy](#), with a clear vision; **to use data and digital to enhance social and economic value, deliver a leading experience for our customers** and to **enable the energy system to support net zero carbon emissions.**

Our Customer Mapping Tool (CMT) is a key example of the **use of 'big data' to both inform and support stakeholder needs**. The CMT pulls together more than 50 data sets to give a clear visual and geographical representation of demographics and socio-economic factors across our regions, such as fuel poverty, age, health and language factors. Aggregated across 79 local authorities and covering 6,000 LSOAs and Data Zones, the CMT is **bespoke to SSEN and our customer base**. It was developed with the Centre of Sustainable Energy, following extensive stakeholder and customer engagement.

Stakeholders told us they get far more benefit from the mapping tool when training is provided upfront. We therefore designed individual and tailored training sessions for all our stakeholders. In addition to formal training, **we provide ongoing support and coaching to help stakeholders and partners maximise the tool's value** through interrogation of data and scenario planning. In 2019-20 we trained 21 new partners, including Foundation Scotland, who use the tool to inform the delivery of their Coronavirus Recovery Fund, and Hampshire Fire and Rescue, who can now identify low income areas in the local community where engagement will be beneficial.

The use of data, and specifically **making that data open to our stakeholders**, is an integral part of our business strategy. As an example, last year, we sought feedback from our connections stakeholders on the usability of our interactive network constraint maps that allow website users to understand capacity at a local level. As a result, we made improvements to the maps using a simple traffic light system, with green flagging little or no constraint on our network and red highlighting a significant constraint. We also published a user guide to help our stakeholders use this service and promote best practice, alongside interactive digital training sessions. **This led to a 94% increase in the use of the constraint map, with over 2,900 stakeholders using the service in 2019-20.** This approach extends to the EV partnership with Scottish Government where network data was provided for siting charge points along the 'Electric A9' with a SSEN network planning engineer seconded for six months to support its effective use (Pt 2, p8).

Looking ahead, our dedicated Data and Analytics team are **working with each operational area to develop roadmaps to better utilise technologies such as AI and Machine Learning**. As we progress our data and digitalisation journey, aligned with the findings of the Energy Data Taskforce, we are working closely with stakeholders to secure data-driven improvements to our core services. Active projects include a partnership to use machine learning to predict increases in electricity usage across our network and the creation of an AI-driven predictive fault model.

Question 1:

Please explain how you use Social Return on Investment ("SROI") analysis in decision-making, particularly where it conflicts with other research findings and/or business priorities. In particular, how does this feature with the 'YES' initiative?

Question 2:

Please explain how you take account of the different regional demographics and political environments across your two network areas in your approach to stakeholder engagement. Additionally, please provide examples of:

      a. How this influences the initiatives selected; and

      b. How these are delivered?

Question 3:

The COVID-19 pandemic has changed both the ways of working and how stakeholder engagement is conducted. Please provide responses to the following:

      a. How have stakeholders helped you put in place new ways of working for the COVID-19 pandemic?

      b. What new methods of stakeholder engagement have you found useful and why?

      c. What learnings from the pandemic are enabling you to deliver more for customers and stakeholders?

Question 4:

Many companies are using technologies such as Artificial Intelligence to improve stakeholder engagement.

      a. Please explain what steps have been taken to use technologies such as Artificial Intelligence, Big Data and others to improve stakeholder engagement, deliver benefits to stakeholders and improve services to vulnerable customers.

      b. What data sets have you made available to other stakeholders?

      c. What help, if any, are you giving these stakeholders with using the data?