Citizens Advice: The journey of Stakeholder engagement

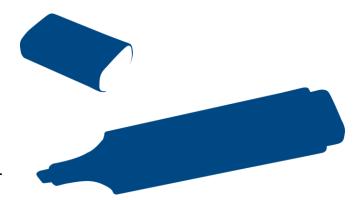


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What worked well in RIIO1

Highlights

- Clearly defined outputs
- Innovation and sharing learning
- Lower distribution costs could have been even lower
- More support for customers in vulnerable situations
- Step change in stakeholder engagement

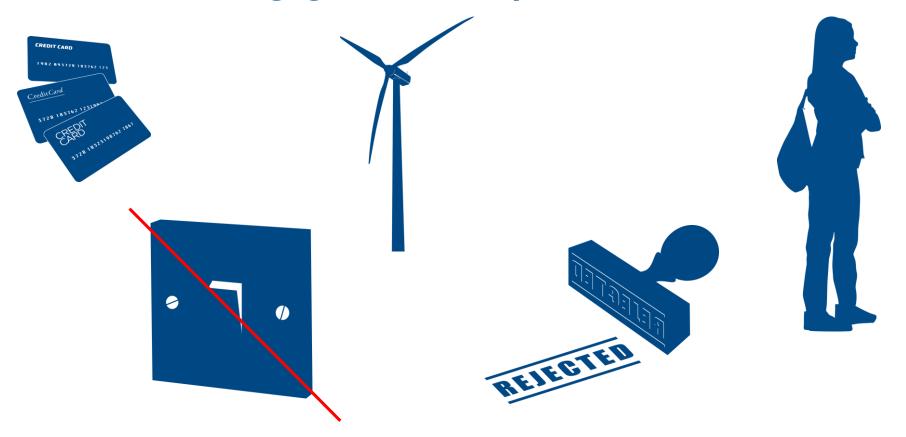


What worked well in RIIO1: stakeholder engagement

- Flexibility in "how" stakeholder engagement is done
- Range of engagement methods
- Range of stakeholders involved
- → Networks are becoming more responsive
- → Partnerships, Referral systems
- → Advice provision
- → Outreach activities



Stakeholder engagement is important because....



How can stakeholder engagement be improved?

	The ladder
Degrees of Citizens power (i.e. more engagement, more formal rights)	Citizen control
	Delegated power
	Partnership
Degrees of Tokenism	Placation/Concessions
(i.e. low engagement, little rights)	Consultation
	Informing
Non-participation	Therapy
	Manipulation/ Influencing

"Ladder of participation"

Arnstein, 1969

How can stakeholder engagement be improved?

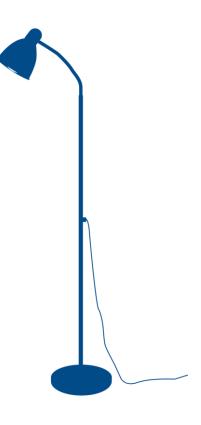
	The ladder	Forms of participation/engagement
Degrees of citizens power	Citizen control	
(i.e. more engagement, more formal rights)	Delegated power	Binding referendum
	Partnership	Scottish Water Customer Forum
Degrees of Tokenism	Placation/Concessions	
(i.e. low engagement, little rights)	Consultation	Network stakeholder panelsOfwat Consumer Challenge GroupPublic consultations
	Informing	Annual reports
Non-participation Therapy Manipulation/ Influencing		
	Manipulation/Influencing	Energy saving campaigns

How can RIIO2 be improved: Design

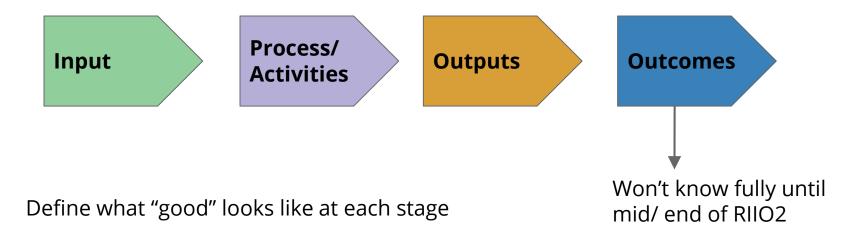
- Stakeholder vs. consumer engagement
 - WTP research is one piece of the puzzle
- Engagement during price control <u>AND</u> business planning process
 - Incentivise to respond to changing customer needs
 - Explore Scottish Water model for engagement in business planning

How can RIIO2 be improved: Network activities

- Clearer rationale why, who, how?
- Assess feasibility of collaboration
- Spread stakeholder engagement through the whole company
- Improve how outcomes and success are measured



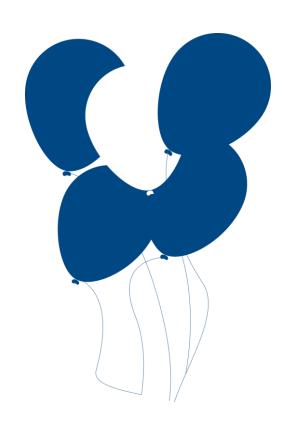
How do we know it's working?



RIIO2: what are the different challenges?

- New things take time
- Capacity within companies
- Capacity within Ofgem to support
- Stakeholders' capacity to engage / to meet demands on their time

There is cause for optimism....



"Publics are willing and **fully capable of engaging critically** with energy system transformation.

Despite the complexity of the research topic, publics gave considered responses and as a result **offered important insights** into their values, attitudes and acceptability."

<u>UK Energy Research Centre</u>, Public Values, Attitudes and Acceptance research, 2013



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