

May 2014

# 1

## SSEPD Submission Document Part 1: Overview of evidence

2013/14

Ofgem Stakeholder Engagement  
Incentive Scheme



Placing stakeholders at the centre of our business

# Engaging effectively and efficiently



**Stuart Hogarth**  
Director of Distribution

## I am pleased to present the Southern Electric Power Distribution and Scottish Hydro Electric Power Distribution 2013/14 Submission in relation to Ofgem’s Stakeholder Engagement Incentive Scheme.

It is now in our culture to engage. Each business unit across our company has work plans at unit, team and individual level which show the role they have in delivering these engagement activities.

Ownership and accountability for individual pieces of work are clear and this is further supported by a robust Stakeholder Engagement Strategy, Policy, Plan, Database, work procedures and training programme all approved by the Scottish and Southern Energy Power Distribution (SSEPD) Board.

Stakeholder engagement for us this year has never been more important, happening as it has against a backdrop of some of the most extreme weather in living memory. Our stakeholders in central southern England have experienced five major storms and thirty one significant weather events this year.

In planning our engagement this year, we asked our stakeholders what mattered to them. Once they had told us their views, we planned and delivered a programme that included a focus on their needs and priorities across five areas of mutual interest:

- Preparing for emergencies
- Priority Services Register
- Making it easier to connect
- Innovating to keep customer bills low
- Targeting our communications

At the end of the year, we checked back with stakeholders to make sure that our engagement had delivered beneficial outcomes for them. I was delighted to find in all the areas we focused on, stakeholders said that we had delivered positive change for them.

**Stuart Hogarth**  
Director of Distribution



### Minimum Requirements Key

Ofgem identified five Minimum Requirements which our initiatives are measured against using the following key:

#### ✓ Comprehensive strategy Informing stakeholders Enabling timely feedback

The network company has a comprehensive and up to date stakeholder engagement strategy, which sets out -

- how the network company keeps stakeholders informed about relevant issues, business activities, decision-making and other developments, and
- how the network company enables timely input and feedback from stakeholders via appropriate mechanisms to inform decision-making.

#### ✓ Broad engagement

A broad and inclusive range of stakeholders have been engaged.

#### ✓ Variety of mechanism

The network company has used a variety of appropriate mechanisms to inform and engage their stakeholders – these have been tailored to meet the needs of various stakeholder groups, and are fit-for-purpose in allowing a detailed analysis of a breadth of stakeholder perspectives

#### ✓ Acting on input

The network company can demonstrate it is acting on input / feedback from stakeholders.

### Our approach – robust, holistic and verifiable

We have an engagement process that has clear values, reliable data and is operated in accordance with audited and accredited processes and standards. It is intentionally designed to be ‘two-way’ (thereby enabling us to both inform and obtain feedback from our stakeholders), is delivered by highly experienced and committed personnel, has robust governance procedures, appropriate monitoring, audit and evaluation processes built in and enjoys full Scottish and Southern Energy Power Distribution (SSEPD) Board backing.

We have a long history of working with our stakeholders to improve our business. We are confident that we have the correct foundation and rigour around these processes, and that they complement the way we run our business, thereby enabling us to continue to serve our customers’ best interests, support growth in our communities and, most importantly, make sure the lights stay on.

### About this document

## There are two parts to our submission, this document is our Part 1 submission.

**Part 1** shows how we gathered and analysed the views of a wide range of stakeholders across a variety of topics and explains the actions we took resulting in changes to our business plan, processes, approach or communications.

**Part 2** reports on the initiatives we put in place in direct response to stakeholder feedback. Five key areas emerged as deserving special attention and we explain whose views informed our approach and the resulting benefits delivered.



Our key stakeholder engagement activities this year
Implemented 11 SSEPD Board approved business changes as a direct result of stakeholder engagement
Formed Customer Voice Groups in both our network areas
Published our annual engagement plan
Updated and improved our Stakeholder Engagement Strategy and Implementation Plan
Achieved externally assured compliance with our Stakeholder Engagement Strategy and Implementation Plan
Stakeholder engagement processes confirmed as compliant with ISO 9001:2008 standard
Independent audit confirmed the overall control environment for our stakeholder engagement is effective
Reviewed and updated our database of stakeholders
Confirmed with stakeholders that the outcomes of our engagement activities benefited them
Increased our profile at industry and other events
Introduced a training programme and work instruction which helps us consistently record stakeholder engagement activity, actions and outcomes

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# Stakeholder engagement: our robust approach

## Our Engagement Values

### Safety

We will undertake our engagement with stakeholders safely and responsibly.

### Service

We will engage with our stakeholders in a way that we are proud of and make commitments we can deliver.

### Efficiency

We will keep our engagement activities simple, do the work that adds value and avoid wasting money, materials, energy or time.

### Sustainability

We will undertake our engagement activities ethically and transparently and in changing our business in response to stakeholder views, we will take the long-term view to achieve growth while safeguarding the environment.

### Excellence

We will strive to ensure that our engagement gets better, smarter and more innovative.

### Teamwork

We support and value our stakeholders and will work with them in an open and honest way; this will include actively involving our stakeholders in designing the engagement process.



## Refining our Framework



Stakeholder engagement is an integral part of our business – it is carefully planned and closely managed day to day, year on year, and from the boardroom to front-line staff. We introduced our current approach in 2012/13 and set out our Engagement Values which are illustrated in the table to the left. Our approach was to establish a robust framework to house specific activities and initiatives that we would continuously review, refine and improve.

We were delighted with the positive outcomes that we were able to report on last year and in 2013/14 our stakeholder engagement activities – and the benefits that have resulted – demonstrate our ongoing commitment and also reflect the growing maturity of our approach as we act upon feedback and introduce new and innovative ways to engage with those we serve.

## Examples of improvements made in 2013/14

- Introduced an annual survey to ensure our programme of engagement focused on the issues which matter to our stakeholders in 2013/14
- Commissioned focus groups and in-depth interviews with stakeholders to measure and articulate the benefits of the outcomes of engagement from their perspective
- Rolled out a training programme and work instruction to help us to consistently record stakeholder engagement activities, actions and outcomes
- Created a Terms of Reference for the stakeholder engagement team to ensure a consistent and committed approach to engagement throughout the business



## Our Stakeholder Engagement Policy



Our Board-approved Stakeholder Engagement Policy (our Policy) has been developed in line with a long-standing set of values: Safety, Service, Efficiency, Sustainability, Excellence and Teamwork, which permeate all of SSE's work, from Board meetings to induction events. Our Policy sets out our high level objectives for stakeholder engagement and establishes the values and core principles that shape the design of our stakeholder engagement activities. [Please refer to Appendix 1.](#)

Consequently, a key objective of our Stakeholder Engagement Policy is to create the necessary conditions for the capture, recording, analysis, application and feedback of a representative range of customer views on an equitable, accessible and sustainable basis. In our Policy, we commit to undertaking our engagement with stakeholders in a way that is in line with the values of our parent company, SSE plc.

### Stakeholders are at the heart of our business

In our Policy, we set out what we want to achieve through our stakeholder engagement activity: quite simply, we wish to ensure stakeholders are at the heart of our business.

Our Stakeholder Engagement Policy sets out the principles upon which our Stakeholder Engagement Strategy and Implementation Plan is built.

## Our Stakeholder Engagement Strategy



Our stakeholders have told us that they want us to:

- understand their needs and interests;
- only contact them in relation to issues that are relevant to them;
- enable them to quickly and easily understand what we are asking of them; and
- have a method of engagement which suits their needs and makes best use of their precious time and resources.

We are committed to continually monitoring and evaluating our mechanisms for engagement to ensure that they are fit for purpose and sustain constructive engagement

With this in mind we have created our Stakeholder Engagement Strategy. [Please refer to Appendix 2.](#)



## The following pages outline our activities...

Over the next three pages we describe the activities we have undertaken to meet the six key elements of our Stakeholder Engagement Strategy and demonstrate how these activities also reflect the Minimum Requirements set by Ofgem.

### Minimum Requirements Key

- ✓ Comprehensive strategy  
Informing stakeholders  
Enabling timely feedback
- ✓ Broad engagement
- ✓ Variety of mechanism
- ✓ Acting on input

### Strategy – Key elements

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# Identifying and understanding our stakeholders

## Focusing our consultation on key groups

This year our consultation has concentrated on:

- Demand customers
- Major, minor and unmetered connection customers
- Customer representatives
- Government, public sector and regulators
- Local authorities
- Elected officials
- Environmental groups
- Energy industry bodies
- Emergency services and NHS bodies
- Supply chain participants
- Landowners
- Our staff

## 1. Identifying our stakeholders



### What we do



We have developed a list of stakeholders who we felt could add particular insight into our day-to-day business and RIIO-ED1 business planning process. We have created a centralised stakeholder contact and record management system to enable us to actively manage engagement across the business. This is managed in accordance with our Data Protection Policy and ISO 9001:2008.

### Record management system



Our contact and record management system now holds over 5,500 stakeholder contacts (up from 3,300 last year) who we feel can offer particular insight to our business from a stakeholder perspective. The system holds records of our engagement with each contact and action logs, and also helps us manage communications around

invitations to events, bulletins or letters to individuals. It records responses, attendance at events and holds details of material sent out – in other words, a complete and overarching database of engagement which allows us to gather current and future improvements and initiatives, informing our engagement plans.

## 2. Understanding our relationship with our stakeholders



### What we do

We have categorised our stakeholders based upon our existing relationships with them; the level of influence they have over our business plan and processes; and their interest in helping us shape it.

### Categorising our stakeholders



We recognise that we can't engage interactively with everybody. Therefore, before we engage on a topic we prioritise which stakeholders' views we would actively seek as we work to improve and design our business processes.

The Influence/Interest Matrix separates stakeholders into four groups based on their level of interest and influence. It also indicates how we plan to engage with the stakeholders placed in each quadrant.

We categorise stakeholders based upon our existing relationships with them but also the level of influence they will exert on our business and their interest in helping us shape it.

### Influence/Interest Matrix

<b>C. High Influence/Low Interest</b> These stakeholders may be temporarily less interested in our service (e.g. due to workload or other more pressing responsibilities).  <b>We will keep these stakeholders informed.</b>  If the context changes, and they become interested, they could move to Quadrant D.	<b>D. High Influence/High Interest</b> These stakeholders are the key players.  <b>We will actively seek to engage them.</b>
<b>A. Low Influence/Low Interest</b> These stakeholders are affected by our business plan.  <b>We will keep these stakeholders informed.</b>  If the context changes, and they become interested, they could move into Quadrant B.	<b>B. Low Influence/High Interest</b> These stakeholders are very interested in what we are doing.  <b>We will keep these stakeholders informed and start building relationships with them now.</b>  If the context changes, this group could move into Quadrant D.



Over 5,500 stakeholder contacts

#### Minimum Requirements Key

- ✓ Comprehensive strategy  
Informing stakeholders  
Enabling timely feedback
- ✓ Broad engagement
- ✓ Variety of mechanism
- ✓ Acting on input



# Engaging and informing our stakeholders

## 3. Actively engaging our stakeholders ✓✓

### What we do

We offer a range of ways to engage with us: interviewer administered surveys; written consultation documents; audio recorded focus groups with electronic audience response system; on-line surveys; structured interviews with stakeholders; stakeholder meetings, events, forums and workshops; customer voice groups. With our stakeholders in mind, we will continually monitor and evaluate our mechanisms of engagement to ensure they sustain constructive engagement.

### Case Study: Checking our business plan resonates with our stakeholders ✓✓

We consulted 3,352 people across our networks between July and October 2013 to test their support for the 12 proposed commitments we made to stakeholders within our RIIO-ED1 business plan.

The findings of this major consultation with domestic customers and key stakeholder organisations revealed that our 12 commitments resonate strongly, with 84% of those consulted telling us that the commitments were important to them personally.

Influence/Interest	Engagement Mechanism
Low Influence/Low Interest A	Telephone, Street and Doorstep Surveys
Low Influence/High Interest B	Telephone, Street and Doorstep Surveys Online Surveys
High Influence/Low Interest C	Telephone, Street and Doorstep Surveys Online Surveys
High Influence/High Interest D	Telephone, Street and Doorstep Surveys Online Surveys, One-to-one Interviews and Bilateral Meetings

The table shows the engagement mechanisms we used with each group according to which category they were included in to capture their views.

### The success of this approach is shown in the numbers of respondents:

- **2,737 domestic customers from across both our networks responded to doorstep surveys**
- **513 stakeholders responded to our survey on Your Future Energy Network website**
- **56 stakeholders responded to our Facebook survey**
- **27 stakeholders responded to our survey at agricultural and county shows**
- **19 interviews took place with key stakeholders (these included representatives of domestic and commercial customers and those in fuel poverty, major connection customers, safety experts, land use, environmental organisations, Distribution Connection and Use of System Agreement Connection Managers)**

Please refer to Appendix 3.

## 4. Informing our stakeholders ✓✓

### What we do

We produce and regularly update our stakeholder engagement and communication plan which will provide stakeholders with enough information, in a format they want, to enable them to participate in key debates.

### Case Study: Informing our customers about the Priority Services Register (PSR) ✓✓

Our Priority Services Register holds details about customers who have told us they find a power cut particularly distressing or difficult. Our free service provides them with extra support and priority treatment.

We have always actively recruited eligible customers by promoting our PSR service. The promotion of this vital service has been through phone calls with customers, public meetings, press releases, online and social media.

This year we have produced a leaflet to promote our service as a direct result of our survey which revealed this audience would like us to communicate with them via leaflets, local newspapers and radio.

The leaflet explains clearly who is eligible to join, the free services they can access and how to apply. We are working with partners who have regular contact and strong relationships with customers who could benefit from registration. This includes every GP surgery and hospital (concentrating on units such as renal, pulmonary, remote monitoring and midwifery who will have patients who are dependent on electricity) and charities.

**Our approach has proved hugely successful within our network areas with over 21,066 registrations during the first three months of the campaign.**

Minimum Requirements Key
✓ Comprehensive strategy Informing stakeholders Enabling timely feedback
✓ Broad engagement
✓ Variety of mechanism
✓ Acting on input



# Listening, responding and being accessible to our stakeholders

## 5. Listening and responding to stakeholders ✓✓✓✓

### What we do

We will publish key themes arising from our stakeholder consultation processes and our response to them so that our stakeholders know what action we will be taking to improve our internal processes and how it has informed our business plan.

### Case Study: Targeted focus groups ✓✓✓✓

We are committed to listening and responding to stakeholders. We take the key themes emerging from feedback and develop business responses which can result in changes to our internal policies, external facing processes or our communications. This year we wanted to test how effective our business responses were from the viewpoint of customers who would benefit from some of the changes we had implemented as a direct result of stakeholder feedback.

In March 2014 we commissioned focus groups and in-depth interviews with 82 customers from across both our network areas. Those participating in the groups were representative of those who are on low incomes, older people, people with disabilities, those with communications difficulties as well as commercial and industrial customers - all of whom will benefit from our work around preparing for emergencies, Priority Services Register, innovations to keep customers bills low and targeting communications.

The output of the research provided an insight into the benefits of the changes we had made from our stakeholders' perspective and we quote these throughout our submission. The top three benefits of our engagement in 2013/14 were:

- feeling listened to, valued and having my voice heard
- providing extra help to those who need it
- coping better with power cuts.

One participant summed it up, saying:

**“... it’s nice to think we’re being listened to... always thought that [the company’s decisions] were a ‘done deal’... we just had to live with them. Feel this is not the case now with SSEPD.”**

Where we state benefits arising from an initiative we draw on this research and feedback from stakeholders who have been touched by the initiative. [Please refer to Appendix 4.](#)

## 6. Being accessible to our stakeholders ✓✓✓

### What we do

We are committed to being open and easy to talk to.

### Case Studies ✓✓✓

#### Innovating channels for hard to reach groups

Aware that some of our stakeholders may find it difficult to access information from us because they have varying communication needs, we have developed a suite of videos which deliver our message orally and visually. These have been made available on our social media channels, website and at conferences and community events to help us engage effectively.

#### Improving accessibility on our website

We have redesigned our website to be in line with W3C AA Standards for Accessibility and ARIA Standards. Creating an easy to read format on our website for people with a learning disability also benefits those who don't use English as a first language and those with lower levels of literacy.

#### Introducing easy to read formats

We have extended the use of easy to read formats across all of our customer facing publications and we always use Plain English. This means that all our communications are focused and clear, and therefore easier to act upon. This approach will ultimately reduce time and money spent explaining things on the phone or at meetings and events – savings which can be passed on customers.

#### Providing information instantly

Customers have told us they value being able to contact us and receive instant accurate updates through our social media channels especially during a power cut. Increasingly our channels are being accessed for information about how we are maintaining and repairing the network in their area.

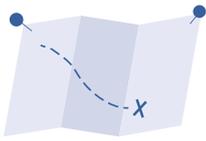
We have been evolving our content from customer-driven enquiries to focused, targeted conversations supported by videos, photos and information about our work. In the rare event that there is a power cut, we can directly message customers on an individual basis to provide help and information when requested. Our social media audience continues to grow.

#### Collaborating with Ofgem and DECC

During 2013/14 we worked with Ofgem, DECC and the Energy Network Association to produce reports containing important recommendations on how we can improve our response to customers during prolonged power cuts.

Our recommendations relate to ensuring that messaging to customers is clear and easy to act on. They also highlight the importance of local community emergency resilience planning and our partnership approach to ensuring eligible customers are aware of, and join, the Priority Services Register.

Minimum Requirements Key
✓ Comprehensive strategy Informing stakeholders Enabling timely feedback
✓ Broad engagement
✓ Variety of mechanism
✓ Acting on input



# Our Implementation Plan

## Our Annual Implementation Plan – designed with stakeholders in mind



It is impossible to do our job without speaking to the people to whom we provide a service. Every day we are speaking to people about new connections to our electricity network; about our plans to replace or repair cables in their area; and about how to be safe around overhead lines and substations. We also want to understand what our stakeholders expect from us in the longer term and enable them to shape how we do things. Our Implementation Plan sets out the topics and the way in which we intend to capture their views so we can shape our business procedures, policies and plans accordingly. **Please refer to Appendix 5.**

During our RIIO-ED1 Business Plan consultation we gained an understanding of what our customers and stakeholders expect from our networks in terms of safety, customer service, supply reliability, environment, connections and social obligations.

We built on this by asking our stakeholders what areas they felt we needed to improve in and matched this against our own business objectives.

To gauge customer support, we commissioned a series of interviews with key stakeholder organisations and a representative sample of our domestic customers, across both networks, to understand if our proposed annual stakeholder engagement plan resonated with them.

Their feedback directly influenced our annual stakeholder engagement plan – thereby ensuring that it is relevant and timely to both our business and our stakeholders. As a result of this engagement, we focused on five areas of mutual interest so that we could capture input from topics that they could meaningfully influence:

- Preparing for emergencies
- Priority Services Register
- Making it easier to connect
- Innovating to keep customer bills low
- Targeting our communications



### Summary of 2013/14 engagement activities

#### Events

158

- Connections & DG Events/Surgeries and Workshops
- Open Days/Behind The Scenes and Fun Days with Resilience Partners, Councils, Community & Parish Councils and the General Public/Young Stakeholders
- Storm Follow Ups/Responses
- Shows and Events

	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Events Held	5	13	5	9	12	19	39	13	12	13	11	7
Attended	91	96	44	285	169	533	1635	404	42	428	712	232

#### Attendance

4,671

##### July–Oct 2013

Support for RIIO-ED1 commitments/engagement activities survey (2,739 domestic customers)  
 Support for RIIO-ED1 commitment interviews (19 key stakeholders)  
 Support for RIIO-ED1 commitment online survey (513 respondents)  
 Support for RIIO-ED1 commitment facebook survey (56 respondents)  
 Support for RIIO-ED1 commitment at shows survey (27 respondents)

##### Sep 2013

Unmetered connection customer surveys (12 respondents)  
 Unmetered connection customer interviews (3 respondents)

##### Sep–Nov 2013

Major connection customer survey (110 respondents)

##### Feb 2014

Distributed generation customer survey (125 respondents)

#### Surveys and interviews

3,836

##### April–Nov 2013

Online Survey covering power cuts, network investment, energy use pattern, innovation, customer service, PSR, connections, engagement (150 respondents)

##### Mar 2013

Focus Groups to understand the benefits arising from our stakeholder engagement initiatives in 2013/14 (82 respondents)

### Case Study: Gathering stakeholder views to inform our Implementation Plan



A sample of 2,739 domestic customers provided us with a high degree of statistical precision which allows us to extrapolate the results to overall domestic customer population. We have weighted the data to reflect the proportion of customers in each region, providing a context for our activities in absolute population numbers across both network areas, as well as within each network area.

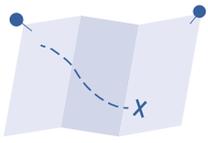
They showed strong support for some of the key initiatives we engaged on this year:

- **Information campaign to explain who SSEPD are, what we do and how to contact us** (3.14 million stakeholders)

- **Work with communities and vulnerable customers to help them become more resilient in a power cut** (3.3 million stakeholders)
- **Providing information to customers and stakeholders affected by large scale projects to improve network reliability** (3.2 million stakeholders)
- **Safety campaign to keep people safe around our network** (3.5 million stakeholders)
- **Creation of customer voice groups to give customers a say in shaping the way that we do things** (3 million stakeholders)

These areas became a timely and relevant focus for engagement during 2013/14. **Please refer to Appendix 6.**

Minimum Requirements Key
✓ Comprehensive strategy Informing stakeholders Enabling timely feedback
✓ Broad engagement
✓ Variety of mechanism
✓ Acting on input



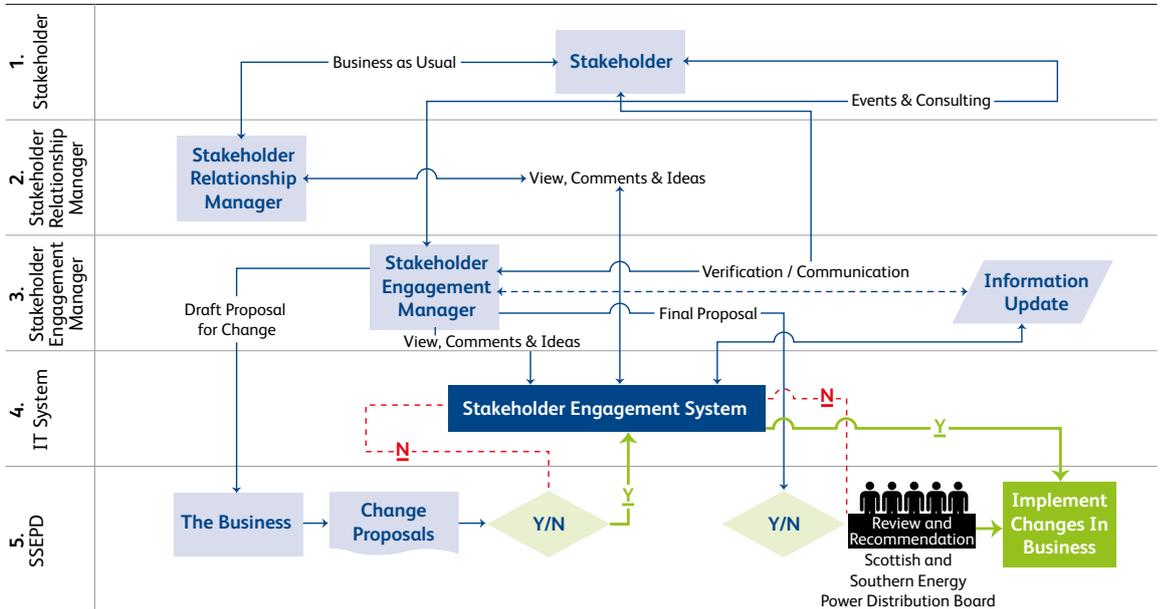
# Our Process

## Our stakeholder process



### Efficient engagement

We want to ensure that we engage with stakeholders in a way that adds value and avoids wasting money, materials, energy or time, making the best possible use of their time and aligning their engagement with us with their own activities and interests.



### Key Performance Indicator

Our Board like to be kept closely informed of the changes we are delivering through our engagement with stakeholders. One of the ways in which we do that is by reporting on our performance via a Key Performance Indicator, which is: "The number of business processes and procedures which have been implemented or changed as a result of stakeholder engagement targeting a minimum of one per licensed area per quarter."

### A robust process

We have introduced a robust process to record our engagement with stakeholders and the journey of their input through:

- the ways in which their views are considered within SSEPD
- the ways in which we change our business as a result of our stakeholders' views and suggestions
- the ways in which we complete the loop by subsequently seeking views from our stakeholders on the action we have taken.

### Reaching out to stakeholders

Our engagement process in summary

1. We interact with stakeholders either via our Stakeholder

Relationship Managers, or via specific events, consultations and other activities run by our Stakeholder Engagement Team.

2. We use the information from these interactions to assess how or whether we could change our business to better meet stakeholder needs.
3. We take the proposals to the relevant business teams for further development and discussion – some ideas will be identified as not feasible, or as conflicting with greater stakeholder opinion, and some will be agreed to be feasible.
4. We liaise with the stakeholder, either proposing what can be done to better meet their needs or explaining why we can't comply with their requests.
5. We will submit the feasible proposals to our Board and, on approval, implement them.

## Our people



### Our Stakeholder Engagement Team

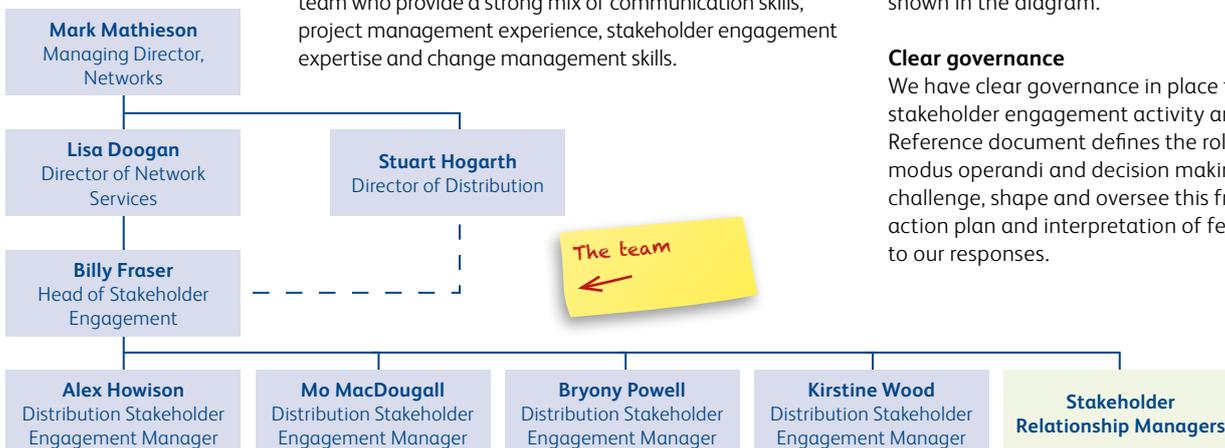
To deliver an effective programme of stakeholder engagement, ensuring that stakeholder views are integrated into our decision making, we have created a multi-disciplinary team who provide a strong mix of communication skills, project management experience, stakeholder engagement expertise and change management skills.

### Strong lines of command

Stakeholder engagement is central to our future success and is reflected in the creation and placement of a Stakeholder Engagement Team within our business as shown in the diagram.

### Clear governance

We have clear governance in place to inform our stakeholder engagement activity and our Terms of Reference document defines the roles, responsibilities, modus operandi and decision making processes that challenge, shape and oversee this from the strategy, action plan and interpretation of feedback, right through to our responses.





## Audit and accreditation

**During 2013/14 we undertook a range of activities relating to the independent verification and accreditation of our stakeholder engagement activities.**

**Our stakeholder Engagement Policy, Strategy and Implementation Plan were designed in accordance with the principles of the AA1000 Stakeholder Engagement Standard and audited through our ISO 9001:2008 Quality Management System.**

### Independent audit ✓

In March 2014 our stakeholder engagement processes were audited by SSE plc's Group Audit team in a comprehensive review. Group Audit is independent of the activities which it audits to ensure it provides the unbiased judgements essential to its proper conduct and impartial advice to management.

The detailed Objectives and Scope were agreed between Mark Mathieson, Managing Director, Networks and SSE Group Audit. The overall objectives of the assignment were to identify the key risks associated with Distribution and Transmission stakeholder engagement and to assess the effectiveness of controls to manage these risk areas. The Risk areas covered are noted in the Audit Report.

- Review the Stakeholder Engagement Strategy and Policy
- Assess the process applied to implement the Ofgem feedback from the 2012/13 submission
- Assess the Stakeholder Engagement Team's Terms of Reference and delivery capability
- Review Stakeholder Engagement Project Plans
- Review Stakeholder Engagement Implementation Plan
- Assess the process of identifying relevant stakeholders and how feedback is obtained and analysed to streamline processes and measure stakeholder benefit through the establishment of key management reporting information

A summary of key agreed actions with responsibilities and dates for completion is contained in the Audit Report and these are being progressed within the required timescales.

The auditors concluded that "the overall control environment for Distribution and Transmission Stakeholder Engagement...is effective". This means that in our auditors' opinion, the necessary processes and procedures are in place and effectively managed.

### ISO 9001:2008 Quality Management System Accreditation ✓

We had a successful management system certification audit carried out by an external accreditation organisation to ensure that our stakeholder engagement processes are compliant with the ISO 9001:2008 Quality Management System. This demonstrates our commitment to working effectively to meet the needs of customers and other stakeholders while simultaneously meeting the following the relevant statutory and regulatory requirements relating to our activities.

**"The Stakeholder Team demonstrated a strong awareness of the importance of complying with the requirements of the ISO 9001:2008 standard... positive engagement with key stakeholders and other interested parties was evident"**  
SGS



Minimum Requirements Key	
✓	Comprehensive strategy Informing stakeholders Enabling timely feedback
✓	Broad engagement
✓	Variety of mechanism
✓	Acting on input

The objectives of the audit were:

- to confirm that our management system conforms with all the requirements of the audit standard;
- to confirm that our organisation has effectively implemented the planned management system;
- to confirm that our management system is capable of achieving our organisation's policy objectives.

This audit covered our quality management processes including Board level commitment and Senior Management involvement in the approach that we have taken, the benefits and outcomes for customers and communities, the allocation of budget and resources in a cost effective manner and the documented procedures and processes of our engagement.

The audit confirmed that we had established and maintained our management system in line with the requirements of the ISO 9001:2008 standard. The audit report also included the positive observations that "the Stakeholder Team demonstrated a strong awareness of the importance of complying with the requirements of the ISO 9001:2008 standard" and that "positive engagement with key stakeholders and other interested parties was evident".  
[Please refer to Appendix 7.](#)

### Independent Evaluation: Customer Voice Groups ✓✓✓✓

During 2013/14 we introduced Customer Voice Groups as a fully independent scrutiny panel. The individuals on the panel are representative of our key stakeholders and bring a wide range of experience from policy making, advocacy, and understanding of domestic consumer issues, small and large scale businesses, connection customers, academics and environmental experts. They critically evaluate our stakeholder engagement strategy, policy, implementation plans, our business response to stakeholders' views and our annual stakeholder engagement report – offering us honest feedback but also reassuring our wider stakeholders that we are listening and responding positively and effectively. The meetings are chaired by our Director of Distribution, Stuart Hogarth, which provides members with a direct line to our Board if they have any concerns.

One group represents stakeholders within our region in the north of Scotland (Scottish Hydro Electric Power Distribution) and the other our network in central, southern England (Southern Electric Power Distribution).

The Customer Voice Groups:

- inform our programme of stakeholder engagement and help us to establish what our stakeholders' priorities are around safety, customer service, supply reliability, connections, social obligations and the environment;
- critically evaluate our stakeholder engagement strategy, policy, implementation plans, our business response to stakeholders' views and our annual stakeholder engagement report;
- draw on their professional networks to support and facilitate discussions with appropriate groups on key issues of current or emerging stakeholder concern; and
- act as a scrutiny panel for our new ideas and offer advice.



# Examples of acting on stakeholder feedback

## Preparing for emergencies and Priority Services Register



### Stakeholder feedback

A representative survey of domestic customers across both our network areas showed that the majority (91%) supported us working with communities and vulnerable customers to help them be more resilient in a power cut. [Please refer to Appendix 6.](#)

#### Changes made as a direct result of stakeholder feedback

**Enabling communities to develop Local Community Emergency Plans to be more resilient in a crisis**

- 1
- 2
- 3
- 4
- 1
- 2
- 3

**Working in partnership with the University of Dundee to learn from the past experiences of communities affected by prolonged power cuts. The creation of a bespoke model will allow us to tailor advice and welfare support for the most vulnerable.**

- 1
- 2
- 1
- 2
- 3
- 4

**Addition of a new category for 'young babies' to our Priority Services Register. Leaflets are distributed throughout the NHS (e.g. doctor surgeries and midwifery units) to encourage registration.**

- 3
- 5
- 1
- 2
- 3
- 5

#### Stakeholder benefits



- 1 "... we might need this ourselves and it's good to think that if you were on your own and vulnerable that there is something like this as a back up plan, because not everybody's got families or people to rely on."  
**Low income focus group participant**
- 2 "Peace of mind knowing that relation or someone I know is being supported if I can't get to them."  
**Low Income focus group participant**
- 3 "If we had a power cut for 3 or 4 days, then we all get together at a certain particular point. Absolutely brilliant. It's a good idea."  
**Communication difficulties focus group participant**
- 4 "It's better for customers if they have a plan in place, then people know exactly what's going on. They know what to expect, and they may well have a timescale of how long they're going to be off. If you don't work to a plan, then people get disheartened. They'll complain and [will] maybe get quite stressed about it all."  
**Domestic customer, Shetland**
- 5 Provides 'peace of mind' and 'reassurance' that help is there if you need it and that those providing support understand your needs at the point of service delivery. This reduces feeling of vulnerability and restores 'calmness'  
**Customer focus group**

#### Business benefits



- 1 Proactive approach demonstrates that we consider the safety of our customers and act responsibly.
- 2 Reduced complaints when severe weather causes power cuts.
- 3 We have a better understanding of who is most vulnerable to loss of supply.
- 4 A bespoke model allows us to most effectively target resources in a prolonged power cut.
- 5 Reducing future customer distress by encouraging households with babies under 12 months to apply to join our Priority Services Register.

## Engaging a broad range of stakeholders



### Stakeholder feedback

The formation of Customer Voice Groups or panels has been recognised as smart practice to ensure that stakeholder views around strategic issues are heard and acted upon by companies to improve their services. A representative survey of domestic customers across both our network areas showed that the vast majority (80%) supported this initiative. [Please refer to Appendix 6.](#)

#### Changes made as a direct result of stakeholder feedback

**Formed Customer Voice Groups within each network area to ensure that stakeholder views are heard and acted upon.**

- 1
- 2
- 1
- 2

**Introduced a reimbursement policy to ensure that travel costs are not a barrier to participation.**

- 3
- 2
- 3

#### Stakeholder benefits



- 1 Stakeholders welcome them as an enduring mechanism through which to voice their priorities around safety, customer service, supply reliability, connections, social obligations and the environment.
- 2 "We are on other wider stakeholder groups. If they [SSEPD] were going to do something like that, then we would be happy to consider an invitation."  
**Advocacy organisation for domestic end users**
- 3 Stakeholders are pleased that we have removed financial barriers to hearing stakeholders' voices around their priorities for safety, customer service, supply reliability, connections, social obligations and the environment.

#### Business benefits



- 1 Provides us with an enduring mechanism for stakeholder engagement which will allow us to establish stakeholders' priorities around safety, customer service, supply reliability, connections, social obligations and the environment.
- 2 Demonstrates that our stakeholder engagement strategy continues to develop and align with best practice.
- 3 Demonstrates our commitment to obtaining the views of a diverse group of stakeholders and that cost should not be a barrier to participation.



# Examples of acting on stakeholder feedback (cont.)

## Targeting our communications



### Stakeholder feedback

513 customers over 25 events, between July and November 2013, told us their frustration is reduced if they are told why their power is being switched off and the improvements it will make to the reliability of their electricity supply.

A representative survey of domestic customers across both our network areas showed that the majority (87%) supported us engaging with communities likely to be affected by our planned maintenance and investment works. [Please refer to Appendix 6.](#)

During 2013/14 we met with local councillors and Members of Parliament who told us that being able to explain the reason for planned maintenance works (which may result in power cuts) to constituents was helpful.

### Changes made as a direct result of stakeholder feedback

#### We will routinely inform affected communities of the scale of investment we will be making in their area to improve network including

- areas affected
- the timeframe for work
- impact it will make on the reliability of supply
- reassurance that they shouldn't experience power cuts as we will supply their electricity through another cable or overhead line, through a mobile generator or by working "live"
- what do if there is a power cut and our contact number

by introducing two new procedures to make target audience aware of the works:

#### We routinely write and visit parish and community councils

- 1
- 2
- 3
- 1
- 2

#### We routinely write to local authorities and elected members to make them aware of the work

- 1
- 2
- 3
- 1
- 2

### Stakeholder benefits



- 1 "Barkham area has suffered multiple outages, and there were all sorts of rumours... turned out to be cables that needed replacing underground. [Would have preferred to be told...] "We're just going to take this down for a couple of hours so we can test it properly" rather than keep putting it back and it keep failing again."  
**Commercial and industrial focus group participant**
- 2 Stakeholders tell us that frustration and uncertainty for customers who experience unexpected power cuts due to planned maintenance works is reduced.
- 3 Stakeholders tell us that being pre-warned that supply could be affected while works are being carried out helps them to make decisions about how to respond if their supply is interrupted.

### Business benefits



- 1 Reduces the number of complaints in areas where we are carrying out planned maintenance works.
- 2 Demonstrates our commitment to keeping our stakeholders informed of our plans and how we are ensuring a continued safe reliable supply of electricity in the area.

