2019-20 | Part 1
Engaging with purpose
Overview of Evidence
Stakeholder Engagement and Consumer Vulnerability Submission
Welcome to Scottish and Southern Electricity Networks (SSEN) part 1 submission to Ofgem’s Stakeholder Engagement and Customer Vulnerability Strategy Incentive (SECV) for 2019-20.

Through our two licensed electricity distribution network areas, Scottish Hydro Electric Power Distribution (SHEPD) and Southern Electric Power Distribution (SEPD), we operate and invest in an essential part of the UK’s electricity system, delivering power to over 3.8 million homes and businesses.

Ofgem’s annual SECV Incentive encourages network companies to engage proactively with stakeholders to anticipate their needs and deliver a consumer focused, socially responsible and sustainable energy service.

SSEN’s submission is structured in three parts:

**PART 1**
Engaging with purpose

**PART 2**
Delivering with impact

**PART 3**
Collaborative action on consumer vulnerability

Our Part 1 submission

Our Part 1 submission explains our stakeholder engagement strategy and our consumer vulnerability strategy. We explain why we engage and the principles and processes we apply to our engagement. We use a variety of methods to engage with our stakeholders and demonstrate how these are embedded within our business. We also outline the methods we use to measure and assess the value of our stakeholder engagement. Our stakeholder engagement often involves co-creation and partnerships with other organisations so that we can extend our reach and draw upon external expertise and we have outlined some examples of how we do this for the benefit of our customers and stakeholders.
1.1 An improved approach and a renewed purpose

As a provider of an essential service, we understand the vital role we play in delivering the electricity that powers people’s lives. The decisions we make, whether now or in the future, will impact our customers and stakeholders. It’s therefore imperative that constructive, transparent and open engagement forms a critical aspect of our business strategy. It must go above and beyond ‘business as usual’, delivering continuous improvement and tangible benefits.

Following Ofgem’s assessment of our 2018-19 SECV submission, which highlighted that we needed to do more to demonstrate how stakeholder engagement is integral to our strategy and delivery, we undertook a thorough review of our stakeholder engagement activities, implementing a robust improvement programme, which itself was shaped by stakeholder input.

Our submission for 2019-20 encapsulates our improvement programme over the year including: enhancements to our stakeholder governance and strategy; the implementation of new tools and processes; and a step change in the scale and impact of our delivery.

We’ve introduced more structure to how we engage. Informed by stakeholders through bilateral engagements, regional stakeholder events and co-creation with our panels, we developed both strategic themes for stakeholder engagement tied closely to our business strategy.

Throughout the year, we engaged more than ever before, with over 700 engagements events delivering more than 220 outcomes for our customers and stakeholders. We’ve sought to measure this increased impact by building on our measurement tools, undertaking social value measurement and formalising our decision framework.

We’ve been more strategic in how we collaborate in the sector and beyond, increasing our partnerships to 84 this year, delivering outcomes for stakeholders that we couldn’t have achieved alone. It’s allowed for a better understanding of impacts on our customers and helped us better engage with those who are traditionally harder to reach.

This robust approach is now backed up by a new organisational structure, introduced earlier this year, which brought stakeholder engagement together with corporate affairs and regulation, bringing better clarity of our external facing activity and responsibility at executive team level.

Our enhanced way of working has already delivered benefits, including during the severe test of the COVID-19 outbreak in March, which put our critical role in society into even sharper focus. We sought external views at an early stage and I am impressed by the way stakeholders have helped us make agile, yet considered, decisions on our role in the response.

As we progress our business planning for the next price control period, enhanced engagement must become the norm. As a stakeholder-led business, we will continue to listen and respond, driving positive outcomes for our stakeholders and sustainable benefits for all.

Colin Nicol, Managing Director, Scottish and Southern Electricity Networks

1.2 Our strategic themes for engagement in 2019-20

Informed by our engagement in 2018-19 and shaped by our panels, our strategic themes have been developed in line with SSEN’s business strategy so that stakeholders can clearly see how they are shaping our approach to strategic issues.

**CORE PURPOSE**

To deliver safely and reliably the electricity that powers communities, now and in the future.

**VISION**

To be the leading network owner and operator, enabling the transition to a net zero world

Collaborative action on consumer vulnerability

We are committed to engaging with consumers in vulnerable situations, and the trusted organisations who represent them, to deepen our understanding of complex vulnerability. We will work in partnerships to deliver a wide range of services that targets support where it is needed most.

**Driving innovation in core services**

From our engagement with customers we know that they expect and value improvements to core services. We are committed to working with stakeholders to develop smart solutions that deliver benefits now or provide a platform for the future.

**Delivering in the public interest**

As monopoly providers of an essential service, utilities are judged to a higher standard of conduct. We will always seek to understand and improve public legitimacy and take bold, collaborative steps to demonstrate delivery in the public interest.

**Enabling the net zero transition**

We have a key role to play in enabling the transition to net zero, which will change the way customers interact with energy. Early, proactive engagement with our stakeholders in ED1 will help shape better outcomes and ensure no customer is left behind.

**Supporting safe and resilient communities**

We know that we need to play an integral role in our communities to deliver continued resilience and safe outcomes. We are looking beyond our obligations to deliver leading initiatives that meet the needs of both communities of place and communities of interest.

**Key highlights in 2019-20**

**Improving and delivering**

- Over 220 outcomes delivered
- Over 700 engagement events
- £3.15 average net benefit per pound spent on 13 initiatives measured
- Over £2m social value delivered on 13 initiatives measured
- 105% increase in households helped with energy efficiency
- 47.3% increase in direct PSR registrations
- 20% reduction in complaints

**Innovating and leading**

- Launched our first zero carbon Constraint Managed Zone
- First of its kind ‘Smart and Fair’ project with CSE
- First of its kind partnership with Citizens Advice Scotland
- First DNO to launch COVID-19 related fund to support communities
- First DNO to launch a WhatsApp as a customer channel
- Institute of Customer Service rating 89.4%

Part 1: Engaging with purpose
1.3 A clear strategy for engagement

Stakeholders are an integral part of decision making and are central to how we manage our business, deliver our services and set our strategic priorities.

Our stakeholder engagement strategy is a core part of our business process and occurs at a strategic, organisational and operational level. The engagement at each level of our business reflects the expertise and interest of our stakeholders, the results of which are shared across our business to enable us to scope, refine and develop our priorities.

Although distinct, the levels are not linear or static. It was local engagement that led us to deliver our first Constraint Managed Zone project earlier this year (Part 2, p9), a strategic outcome in many senses, and engagement at a strategic level has helped us improve the delivery of many front-line services during 2019-20.

In line with this approach, we have developed three simple principles to guide our engagement activity. We seek to be inclusive, in that we engage stakeholders on their terms and actively target seldom heard voices; innovative, in that we use leading methods to ensure broad engagement and prioritise continual improvement; and impactful, in that all engagement is meaningful and there is a transparent link from feedback to action.

Our stakeholder engagement strategy in action

In line with our strategy introduced in 2018, we continue to successfully benchmark ourselves against the AA1000 Stakeholder Engagement Standard, demonstrating that our engagement activities are supported by effective governance and processes, we are transparent in our reporting and we respond innovatively to issues that matter most to our stakeholders.

Central to this strategy is a six-point approach to stakeholder engagement, which was enhanced for 2019-20 to show a clear link between our engagement approach and our engagement tools and processes. The six points are set out below, alongside examples of how we have delivered in line with this approach during 2019-20.

**During 2019-20:**
- We conducted a comprehensive PSR gap analysis, identifying five under-represented groups including those who suffer hearing loss, those leaving hospital and those unable to communicate in English. Initiatives were launched to increase PSR signups in these groups.
- We undertook a detailed stakeholder mapping audit, identifying and closing gaps, and adding a further 2,647 consented stakeholders to our database, a 53% increase.
- We invested in employee training and more than doubled the number of licences for Tractivity, our stakeholder database system. 54 colleagues across seven business areas now use the system, leading to the identification of over 1,000 new local stakeholders.
- Our customer vulnerability strategy for 2019-20 was informed by our work with the Centre for Sustainable Energy and endorsed by our Inclusive Service Panels (ISPs), who provide invaluable intelligence informing business plans, investment priorities and service provision.
- At a strategic level, our Stakeholder Advisory Panel (SAP) and, our Customer Engagement Group (CEG), both have significant access with Directors, Heads of Business and subject matter experts to challenge and validate our thinking on materiality and value.
- Our stakeholder engagement is co-designed through our central stakeholder engagement team who provide the tools and engagement advice for delivery at a strategic, organisational and operational levels. During 2019-20:
  - We utilised a range of engagement mechanisms tailored to our stakeholders including: local authorities, community energy customers, distributed generators, housing developers, energy sector supply chain and partner, commercial and domestic customers.
  - We planned six stakeholder engagement workshops and five meetings with our SAP, with active involvement and representation by our executive team.
  - We understand engagement must be bespoke...
Our stakeholder engagement strategy in action (cont’d)

During 2019-20:

- We publish our stakeholder events on our website, providing the rationale for the event and inviting wider stakeholder participation. Our calendar of events can be accessed online at www.ssen.co.uk/Events/. We proactively invite attendance at our events by contacting identified stakeholders.

Part 1: Engaging with purpose

We engage with purpose and target the content of our engagement to suit the audience. At our strategic and organisational level events, subject matter experts co-design the content. To integrate the views of different stakeholders, we use triangulation to ensure the robustness of the conclusions are corroborated from other sources.

During 2019-20:

- We engaged with purpose on sustainability, gathering and testing opinion with 163 stakeholders during a series of workshops before consulting with our SAP. This led to an informed position on which UN Sustainability Development Goals our stakeholders think are most relevant for our business and has directly informed our work on a sustainability strategy. (Part 2, page 5)

- Engaging hard-to-reach stakeholders – we define this group as those typically under-represented, have limited capacity, appetite or awareness of our business, or simply don’t think their participation will make a difference. During 2019-20 we have worked to ensure the views of such stakeholders are heard, including community energy providers and customers from diverse communities. More detail is set out in both Parts 2 and 3.

We conduct stakeholder engagement transparently. We utilise resources to summarise and synthesise feedback from our stakeholders. We share this either directly with stakeholders (in accordance with GDPR guidelines) or publish reports which are easily accessible on our website.

During 2019-20:

- We synthesised the feedback received from stakeholders and published six reports as well as an overall summary. These are accessible on our website at www.ssen.co.uk/Library/StakeholderEngagementPublications/. We have included the actions in our new Action Tracker which is available to all stakeholders to demonstrate how their feedback has influenced the business.

- As part of their annual workplan, our SAP, created a report setting out their challenges to SSEN in the year. The report was discussed directly with the SSEPD Board as well as being published on our website.

- We carry out a cycle of activity to prioritise the improvements, initiatives and projects we should take forward. We do this by reviewing the feedback from our qualitative and quantitative engagement, assess the perceived net value to customers through willingness to pay and SROI modelling, and assess against our business priorities. This approach gives us assurance we are prioritising the issues that are most relevant to our stakeholders.

In 2019-20:

- As part of our review of our stakeholder engagement process, we developed and implemented an Action Tracker tool in the business. This new embedded tool is accelerating our responsiveness to our stakeholders and allows us to demonstrate the feedback loop inherent in our stakeholder engagement.

- We use customer feedback to improve our services. This year, we introduced customer touch point surveys at key stages of the connections process. These ‘pulse surveys’ allow customers to assess our service in real time so that immediate changes can be made to improve the customer experience. Feedback has been positive and for 2020-21 we are looking to roll this out further across the wider business.

How SSEN is prioritising stakeholder feedback

A key outcome of the review of our Stakeholder Engagement and Consumer Vulnerability strategy was the development of a process to assign responsibility for actions stemming from stakeholder feedback.

For this purpose, a new Action Tracker tool has been developed to allow team members to identify actions resulting from feedback and track their progress through to resolution. In addition to the tool, a process has been designed to provide a step-by-step guide of how the tool will be used in practice and the roles and responsibilities of all staff involved.

Embedding this new approach has increased the volume and speed of stakeholder-focused actions delivered, leading to an increase of impacts and outcomes. This has allowed us to enact stakeholder-driven change at a company-wide level and maintain a record that can be clearly demonstrated to external parties.

We’re more sophisticated than we’ve ever been, whether it’s the processes we follow for engagements or the protocols on how to engage. The changes we’ve made from a process and governance perspective are coming back through feedback loops as noticeable and positive.”

Graeme Reddie, Director of Corporate Affairs, Regulation and Stakeholder Engagement, SSEN

<table>
<thead>
<tr>
<th>Stakeholder engagement team</th>
<th>Review Tractivity feedback</th>
<th>Fortnightly meeting to agree new actions and owners</th>
<th>Assign RAG to clear actions</th>
<th>All open actions reviewed in fortnightly meeting</th>
<th>Determine whether to escalate</th>
<th>Communicate outcome to stakeholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stakeholder engagement working group</td>
<td>Monthly meeting to review unclear actions and assign owners</td>
<td>Assign RAG status to unclear actions</td>
<td>Specific actions monitored in monthly meeting</td>
<td>First level of escalation</td>
<td>Second level of escalation</td>
<td></td>
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<tr>
<td>Customer and stakeholder sub committee</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Action manager</td>
<td>Summarise feedback in action tracker</td>
<td>Open action on tracker and input details</td>
<td>Email action owner and agree requirements</td>
<td>Monthly call with action owner</td>
<td>Extract information form action tracker for escalation</td>
<td>Close action on tracker and record outcome</td>
</tr>
<tr>
<td>Action owner</td>
<td>Notify action manager of receipt and agree requirements</td>
<td>Monthly call with action owner</td>
<td>Business owner liaises with action owner to complete</td>
<td>Deliver action and inform action manager of outcome</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1.4 Robust governance and senior-level commitment

Stakeholder engagement at SSEN runs through our business at a strategic, organisational, and operational level. In 2019-20, we have taken significant steps to further embed a ‘customer and stakeholder first’ culture in the organisation, improving the visibility and impact of our engagement activities at all levels.

How stakeholder engagement is governed

Our governance structure ensures clear lines of responsibility for engagement across all levels and in 2019-20 we have improved the focus and links between our defined governance groups. With strong communication loops, we ensure that our most senior colleagues have the ability to influence, and be influenced by, engagement at the operational and organisation level in addition to the strategic level. These feedback loops also mean that our frontline colleagues are empowered to influence strategic engagement without a complex process.

Enhanced process and governance in 2019-20

Following the feedback received during the 2018-19 SECV process, SSEN worked with engagement experts, SIA Partners, on a gap analysis and improvement plan. From this review it was clear there was a strong stakeholder-led ethos in our organisation and a mature relationship between the SAP, Executive and the Board, but targeted improvements could be made in the broader governance, prioritisation and impact of stakeholder engagement in SSEN.

In September 2019, the Distribution Executive Committee (DEC) reviewed and approved this plan. The outputs included:

- **Governance**
  - All papers and proposals to the Board/Exec now include mandatory section on stakeholder impact and engagement – papers are rejected if incomplete.
  - Stakeholder Engagement is now represented at Director level at the DEC and frequency of reporting at Board Level has increased.

- **Prioritisation**
  - All Directors and their reports have a specific and measurable stakeholder engagement objective, tracked to performance.

- **Impact**
  - A robust Action Tracker has been developed to ensure accurate tracking of responsibilities and ownership, at a Director Level.
  - A full Social Return on Investment (SROI) tool developed to help measure the impact of our activities.

We intend to further embed the recommendations in this plan as we aim for continual improvement in our stakeholder engagement delivery and SECV Performance in the remainder of RIIO-ED1.

An important role for the advisory panel

SSEN’s Stakeholder Advisory Panel (SAP) was established in 2017 to provide a direct mechanism for senior leaders in SSEN and the Distribution Executive Committee to get early sight of key stakeholder issues and was an active influence on leadership in 2019-20. Over 2019-20, five meetings took place between the SAP and senior leadership, including the SSEPD Board. The SAP also met with Ofgem at one of the sessions. Topics included: delivering in the public interest, future energy policies and their potential impact, development of our DSO strategy, a review of the Consumer Vulnerability Strategy, development of digital customer services, SECV Panel de-brief and the subsequent improvement plan.

During 2019-20 the SAP has been instrumental in emphasising that the transition to a more flexible electricity network poses an important challenge to empower local energy users, mirroring feedback received from wider stakeholders (Part 2, Page 8). As a consequence, SSEN led a debate about the move to a decentralised and democratic energy system (Part 1, page 6).

The Stakeholder Advisory Panel remains a key advisory group for SSEN but we recognise that it should never be used as a single proxy for stakeholder views, rather we synthesise and triangulate views and actions from the SAP with the output from our engagements and other fora.

“Good network companies depend upon first class stakeholder engagement. The perspectives, insights and opinions of stakeholders drive better decisions and result in outcomes that are more robust and sustainable.

The reforms made to our stakeholder engagement process last year have led to marked improvements, with greater visibility and active participation at the Board level. I am also encouraged by the strong focus on impact and benefits in this submission.”

Gregor Alexander, Chairman, SSEPD Board

“SSEN integrates tangible engagement responsibilities into employee roles and objectives and shows an improved balance of robustness and functionality that allows for flexibility in the application of its stakeholder engagement approach.”

AccountAbility AA1000 (SESI) Audit, March 2020

“We believe we have helped to develop SSEN’s emerging thinking on strategic issues in the last year and, in turn, we are seeing an organisation, from Gregor and Colin down, that values the views of its stakeholders and is making positive and significant steps to further embed stakeholder engagement in its business.”

Mike Petter, Chair, Stakeholder Advisory Panel
1.5 Our 2019-20 stakeholder engagement methods

Stakeholder engagement at SSE is embedded at a strategic, organisational, and operational level. We have implemented a wide range of engagement mechanisms that enable us to engage at a strategic, organisational and operational level with a broad range of stakeholders over a diverse range of subject matters. The method used is tailored to best suit the need of the audience and to maximise outputs. A selection of these can be seen on the table below.

### Part 1: Engaging with purpose

### Stakeholder engagement

**Bilateral meetings**

- **Level**: Strategic
- **Engagement Mechanism**: Stakeholder Workshops (ENHANCED)
- **Number of Stakeholders**: Over 200
- **Methods of Engagement**: Discussions, Visits, Over 150
- **Example Outcomes**: Strengthened relationships with key elected representatives, resulting in improved services and communications.

**Annual Stakeholder Engagement Workshops**

- **Level**: Strategic
- **Engagement Mechanism**: Workshops
- **Number of Stakeholders**: 163
- **Methods of Engagement**: Workshop with roundtable discussions
- **Example Outcomes**: Shaping our approach to sustainability as well as the journey to net zero. The use of data in the identification and support of vulnerable consumers has been improved with the acquisition of new data sets.

**Shaping our Energy Future**

- **Level**: Strategic
- **Engagement Mechanism**: Workshops
- **Number of Stakeholders**: 76
- **Methods of Engagement**: Online Workshops with closed room discussions
- **Example Outcomes**: 2020-21 community resilience fund repurposed in line with stakeholder feedback. Shaping services which should be offered in a digital world, widening engagement with local authorities and defining further our role in society for review and action.

### Organisational engagement

**Connections Customer Steering Panel (CCSP)**

- **Level**: Strategic
- **Engagement Mechanism**: Webinars
- **Number of Stakeholders**: 147
- **Methods of Engagement**: Workshops with roundtable discussions
- **Example Outcomes**: Feedback on customer experience and the introduction of customer touchdown surveys. Improvements in broad measure performance.

**Issue Specific Webinars**

- **Level**: Strategic
- **Engagement Mechanism**: Webinars
- **Number of Stakeholders**: 516
- **Methods of Engagement**: Webinar
- **Example Outcomes**: Clear stakeholder direction on SSE priorities including call for SSE to prioritise capacity for EVs to support the delivery of the UK’s decarbonisation goals.

**Transition to DSO Co-creation (NEW)**

- **Level**: Strategic
- **Engagement Mechanism**: Workshops
- **Number of Stakeholders**: 28
- **Methods of Engagement**: Workshops with roundtable interactive testing
- **Example Outcomes**: Report produced with learning shared on Project TRANSITION website. Market rules updated based on feedback and scenario testing results.

**Local Resilience Planning (LRP) and Local Resilience Forums (LRF)**

- **Level**: Strategic
- **Engagement Mechanism**: Meetings
- **Number of Stakeholders**: 800+
- **Methods of Engagement**: Meetings, 29
- **Example Outcomes**: Support for community resilience planning and weather events, large scale demand increases e.g. D-Day Anniversary in June 2019, and more recently, support for temporary sites required for COVID-19 response.

**Bilateral regional engagement**

- **Level**: Operational
- **Engagement Mechanism**: Workshops
- **Number of Stakeholders**: 36,255
- **Methods of Engagement**: Direct engagement in regions, site visits, attendance at events
- **Example Outcomes**: Partnerships created with care providers, hospitals, charities and religious organisations to support hard to reach groups, enhance resilience and promote safety.

**Connections Surgeries**

- **Level**: Operational
- **Engagement Mechanism**: Direct engagement
- **Number of Stakeholders**: 44+
- **Methods of Engagement**: Direct engagement on site Skype Calls
- **Example Outcomes**: Multiple process and service benefits across connections activity.

**Partner Portal Focus Group (NEW)**

- **Level**: Consumer Vulnerability
- **Engagement Mechanism**: Face to Face
- **Number of Stakeholders**: 15
- **Methods of Engagement**: Face to Face & Skype Video Conference
- **Example Outcomes**: The co-development of a self-serve option for partners. The first phase of the portal went live in March 2020.

**External Inclusive Service Panel**

- **Level**: Consumer Vulnerability
- **Engagement Mechanism**: Expert Panel Sessions
- **Number of Stakeholders**: 5
- **Methods of Engagement**: Expert Panel Sessions, 3
- **Example Outcomes**: The inclusion of geo-location for adverts to target specific areas i.e. COPs when promoting the PSR and winter campaign. Introduction of hearing loss partnership with Royal College of Speech and Language Therapists and Deafscotland.

**Joint Utilities Group**

- **Level**: Consumer Vulnerability
- **Engagement Mechanism**: Office Workshops
- **Number of Stakeholders**: 10
- **Methods of Engagement**: Face to Face & Skype Video Conference
- **Example Outcomes**: Design and delivery of joint event with Wessex Water Partnership, Southern Water, Footprint Trust Partnership with Thames Water, Renal Association. Four company partnership with the NEA Young Carers project.

### Regional stakeholder workshops

Based on internal and external feedback, we refreshed our approach on our annual stakeholder workshops last year, running six events tailored to each region. This allowed for engagement to be tailored for direct relevance to the audience, with the sessions opened by the Head of Region who led a participative discussion relevant to the local network before common and strategic content, including consumer vulnerability and sustainability.

The feedback received from stakeholders at these workshops is instrumental in setting priorities in our organisation. During these sessions stakeholders told us:

- 89% of stakeholders told us that DNOs should take a leading role in achieving net zero by proactively enabling the sustainability agenda.
- Around half of all stakeholders saw the roll out of electric vehicles being the key issue facing the business.
- 82% of attendees agree that our consumer vulnerability strategy remains fit for purpose in light of the new Ofgem Consumer Vulnerability Strategy.

The events were well received by stakeholders attending with higher feedback scores than either of the previous two years.

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**I was delighted to have a more active role in planning these sessions and I know attendees welcomed us not taking a cookie cutter approach and allowing a mix between local issues and those that have wider implications to us all.”**

Ian Drummond, Head of Region, South East, SSE

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**Energy Experts Roundtable**

“New for 2019-20, SSE conducted the first in a series of Round Table events. Co-hosted by SSE Chief Executive, Alistair Phillips-Davies, and attended by academics from Imperial College London, University of Oxford, Oxford Brookes University and Strathclyde University, the event centred around the role of the electricity distribution networks in delivering net zero. Topics discussed included the potential pathways for decarbonisation, how the regulatory and policy framework can support this ambition and the governance and structure required. Six further expert roundtables, involving key subject matter experts in areas such as consumer issues and renewables are planned on a virtual basis. The feedback will be built into future business planning and ED1 delivery.”
We have always taken pride in how we support consumers in vulnerable situations. Our consumer vulnerability strategy is mature and, as such, deeply embedded in our organisational DNA. Informed by our stakeholders, each year we enhance our strategy as we expand our understanding and definition of vulnerability, broadening the support we provide to customers to include our work to tackle wider social issues.

Alongside effective management of our PSR, inclusivity and accessibility of our services, mitigating the impact of fuel poverty for customers and ensuring no customers are left behind in the low-carbon transition have been key areas of focus in 2019-20.

We’re actively supporting communities getting involved in providing flexibility to the energy system through Social Constraint Managed Zones (SCMZ) and this year we launched a first-of-its-kind partnership with Citizens Advice to provide in-depth, independent energy advice in four local Citizens Advice Bureaux. To date, the SSE-funded advisers have supported 488 clients, saving them over £89,000.

Our approach to consumer vulnerability is underpinned by our mission to make our services accessible and suitable to all customers, supported by four core objectives. These evolve each year to respond to our customers’ needs and wants.

### Strategy improvements for 2019-20

Our Vulnerability Strategy Wheel, introduced in 2018-19, visually represents our core objectives, activities and annual smart targets against which we measure ourselves. We have improved our strategy in 2019-20 following challenge and feedback from our Stakeholder Advisory Panel, Inclusive Service Panels and colleagues at every level of the business to include an additional layer that demonstrates embedded processes and tools.

The improvements to our consumer vulnerability strategy in 2019-20, made in partnership with the Centre for Sustainable Energy include:

1. The addition of Local Government Authority (LGA) data into our customer mapping tool (CMT), displaying the age profile of our customers and the incidence of fuel poverty for each area. We have applied analytics to show how each LGA compares with the average across our licence areas, proactively engaging with local authorities to devise the most appropriate way to support customers in vulnerable situations.
2. We have purchased additional layers of customer data for our CMT to include access to health services, central heating data and more detailed care home data which allows access to enhanced analytical characteristics for the areas which we serve.
3. We have proactively conducted a PSR data gap analysis which identified our PSR gap on geographical and PSR category levels. This allowed us to effectively prioritise PSR promotion across our regions, concentrating efforts on the PSR categories with the widest gaps. We’ve closed our total PSR gap to 34.2%, meaning that 65.8% of eligible households in our licence areas are now registered for additional support.
4. To improve our services to customers who may be vulnerable during power cuts, we have improved mobile functionality of our CMT to allow our Customer Relationship Managers on the ground to more effectively identify areas with customers of greatest need.

We have also improved the measurement of the services we provide to vulnerable customers, ensuring we can be transparent about the value of our delivery and helping us make more informed decisions. Further details can be found on Part 3, page 3.

“I’ve been really impressed with the richness of the data in the mapping tool and the ways in which our teams have used it. From our engineering teams reducing costs through targeted energy reduction projects, to our front-line colleagues understanding how best to prioritise support in weather events, the insight it provides is invaluable.”

Danielle Royce, Head of Region, Thames Valley
**1.7 Measuring the value of our delivery**

SSEN is a customer focused business which places the customer at the front and centre of decision making and delivery. We have undertaken a variety of ways to measure the value of our services to our customers and wider society.

**1. Quantifying value for money**

In 2019-20 we have improved how we demonstrate that we are providing value for money for our customers and stakeholders.

**Willingness to Pay**

In 2019-20 we significantly improved the methodology for willingness to pay (WTP) to include an estimate of customers’ willingness to pay for a specific service. In total, we evaluated 13 different attributes, split across customer support, education, smart networks, and sustainability, reflecting our stakeholder-led priorities. Our WTP research provides us with an understanding of what our customers value by asking them the portion of their bill that they would like to assign to certain actions we may take. While the overall bill is fixed and won’t change, the relative valuation of specific actions from our WTP study provides us with a useful way to prioritise projects and direct our resources.

**Social Return on Investment**

In 2019-20, SS EN introduced Social Return on Investment (SROI) methodology for the first time, enabling us to quantify the value of financial and social benefits for 13 projects. Details of the projects can be found on Part 2, page 2 and Part 3, page 3. We use the process below to inform the model to be used.

<table>
<thead>
<tr>
<th>Customer support</th>
<th>£2.04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use of chatbots and automated messages to deliver a quicker service response for customers</td>
<td>£0.43</td>
</tr>
<tr>
<td>Online self-serve options for getting a quote for a new connection to the network</td>
<td>£0.39</td>
</tr>
<tr>
<td>Providing more information through face-to-face contact where this is beneficial</td>
<td>£0.33</td>
</tr>
<tr>
<td>Education</td>
<td>£0.67</td>
</tr>
<tr>
<td>Delivering safety education and information initiatives in schools so that 200,000 school children are educated across Great Britain</td>
<td>£0.47</td>
</tr>
<tr>
<td>Running safety awareness media and community outreach campaigns at relevant times, for example before the school holidays</td>
<td>£0.18</td>
</tr>
<tr>
<td>Targeted safety campaigns to specific groups, such as large landowners, like farmers, that have pylons or substations on their land</td>
<td>£0.06</td>
</tr>
<tr>
<td>Smart networks</td>
<td>£0.48</td>
</tr>
<tr>
<td>Increasing understanding of and opportunity to participate in more flexible electricity services</td>
<td>£0.23</td>
</tr>
<tr>
<td>Information and support on how to connect electric vehicles to the electricity network</td>
<td>£0.17</td>
</tr>
<tr>
<td>Sustainability</td>
<td>£0.73</td>
</tr>
<tr>
<td>Reducing company carbon footprint by 20% e.g. improving energy efficiency of buildings and reducing harmful leaks from equipment</td>
<td>£0.69</td>
</tr>
<tr>
<td>Reducing plastics waste from operations by 50%</td>
<td>£0.17</td>
</tr>
<tr>
<td>Reducing company impact on air quality by moving to 10% of the entire vehicle fleet being electric</td>
<td>£0.06</td>
</tr>
</tbody>
</table>

**Social Return on Investment**

In 2019-20, SS EN introduced Social Return on Investment (SROI) methodology for the first time, enabling us to quantify the value of financial and social benefits for 13 projects. Details of the projects can be found on Part 2, page 2 and Part 3, page 3. We use the process below to inform the model to be used.

**Qualitative feedback**

In instances where benefits delivered were not measurable, we engaged with affected stakeholders to capture their feedback and the benefit they received from the initiative qualitatively. This impact is outlined in the examples in Part 2.

**Using SROI to inform our decisions**

We have used SROI modelling for two clear purposes this year:

- To inform prioritisation of projects and initiatives that are under evaluation.
- To measure the social impact of projects which have been delivered help us to evaluate the success of the project.

The SROI results displayed through our submission reflect the in-year benefits delivered from the initiatives measured. Where we have worked in partnership with others, SROI measurements have included a sharing factor.
### 1.8 Key outcomes delivered

In 2019-20 we engaged with over 60,000 stakeholders, resulting in more than 220 impacts and outcomes delivered to the benefit of our customers and wider stakeholders. The table below provides some key examples of the outcomes delivered in 2019-20 with further details provided in Parts 2 and 3.

<table>
<thead>
<tr>
<th>Category</th>
<th>Stakeholders Said</th>
<th>We Acted</th>
<th>Impact and Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Driving innovation in core and future services</td>
<td>In advance of changes to the Distribution Code in 2022, DNOs were tasked to encourage all connected generators to review their Loss of Mains protection to ensure they comply with the new measure.</td>
<td>Taking an active role in the industry led project, we hosted face to face workshops, helping generators understand the changes required to ensure safe balancing of the grid and security of supply. This was complemented in November 2019 by dedicated webinars.</td>
<td>• Over 25% of all applications are from our licence area. • Highest penetration rate of any DNO based on size of network. • Acceptance rate of 89.5%.</td>
</tr>
<tr>
<td>Delivering in the public interest</td>
<td>Customers told us that repeated calls to receive an update on power cuts was causing significant frustration, especially those who are older and used to digital channels. We observed that during power cuts, 27% of phone contacts were repeat calls.</td>
<td>We sought to identify experts in new routes of customer contact and using their research as a base were the first DNO to launch customer support via WhatsApp.</td>
<td>• 1st DNO to launch WhatsApp as a standard channel. • Received over 20,000 customer contacts through WhatsApp. • £55.9 SROI achieved.</td>
</tr>
<tr>
<td>Enabling the net zero transition</td>
<td>Stakeholders said that the transition to a smart, flexible system at a distribution level was a fundamental shift for DNOs but they felt it needed to move from theory into action and more must be done to illustrate this new operation in a ‘real life’ scenario.</td>
<td>We used our flagship project, Project Local Energy, Oxfordshire (LECO) as a platform for engagement on what a future local flexible system will look like. Project LEO is the most ambitious and holistic smart grid trial conducted in the UK, trialing the matching of renewable generation and demand at a local level.</td>
<td>• £0.58 SROI achieved. • Supported over 480 people to date. • First of its kind partnership.</td>
</tr>
<tr>
<td>Delivering in the public interest</td>
<td>Stakeholders told us to seek advice from experts in the field to support people in fuel poverty through 4 specialist energy therapists and Deaf Scotland who advised several actions.</td>
<td>We met with the Royal College of Speech and Language Therapists and Deaf Scotland to help create experiential training with scenarios that involve our equipment.</td>
<td>• £0.52 SROI achieved. • £2.53 SROI achieved.</td>
</tr>
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<tr>
<td>Collaborative action on Consumer Vulnerability</td>
<td>Members of the Island community asked us to develop innovative solutions to enable renewables to connect to our network, through workshops with the islands asking us to look at greener alternatives to diesel generation on the island.</td>
<td>We introduced our first zero carbon CMZ.</td>
<td>• £0.52 SROI achieved. • £0.58 SROI achieved.</td>
</tr>
<tr>
<td>Collaborative action on Consumer Vulnerability</td>
<td>Stakeholders at our March 2020 Virtual Workshops agreed with our proposal to repurpose our Resilient Communities Fund for 2020-21 but challenged the maximum award available and who could apply for the fund.</td>
<td>In line with feedback received we increase the maximum award available from £3k to £3k. We also updated the criteria to allow applications from Town, Community and Parish councils as well as proxy organisations.</td>
<td>• First DNO to launch a COVID-19 specific fund. • £50k fund was launched in March 2020. • 117 communities have been successful so far.</td>
</tr>
<tr>
<td>Collaborative action on Consumer Vulnerability</td>
<td>The 2018 WTP exercise told us that customers valued educating the public on how to stay safe around electricity. This was tested again in 2019-20, where the education of school children was the most favored initiative with the attribute tested against “Safety”.</td>
<td>We have significantly increased the number of Power Pack Pal sessions delivered this year. We have also partnered with SafeWise to help create experiential training with scenarios that involve our equipment.</td>
<td>• Over 140 sessions delivered. • Over 16,500 children participated in sessions. • £23.5 SROI achieved.</td>
</tr>
<tr>
<td>Collaborative action on Consumer Vulnerability</td>
<td>In 2018-19 our Inclusive Service Panels (ISPs) recommended that we do more to provide support for those in fuel poverty. This was echoed by stakeholders at our September workshops as well as customers through online engagement methods.</td>
<td>Following a review of fuel poverty statistics, we approached Citizens Advice Scotland to launch a first of its kind partnership to support people in fuel poverty through 4 specialist energy advisors.</td>
<td>• First of its kind partnership. • Supported over 480 people to date. • £0.58 SROI achieved.</td>
</tr>
<tr>
<td>Collaborative action on Consumer Vulnerability</td>
<td>Our data analysis told us that customers with hearing or speech loss were one of the top 5 under-represented categories on our PSR. Our ISPs told us to seek advice from experts in the field to understand how best to address this.</td>
<td>We met with the Royal College of Speech and Language Therapists and Deaf Scotland who advised several actions including the implementation of BSL, the introduction of a video relay service and consideration to the methods of communication used.</td>
<td>• BSL Video Relay service introduced in March 2020. • Hearing and speech loss PSR registrations increased by 15%.</td>
</tr>
<tr>
<td>Collaborative action on Consumer Vulnerability</td>
<td>Attendees at our stakeholder workshops told us that “improving identification of vulnerability and smartness of data” was the second most important principle from the Ofcom 2025 Consumer Vulnerability Strategy.</td>
<td>In 2019-20 we further invested in our Customer Mapping Tool by adding additional data sets.</td>
<td>• Added Local Authority data. • Increased vulnerability indicators from 24 to 36. • 38 internal training sessions to extend the benefits from mapping. • 21 new partners trained in mapping use.</td>
</tr>
</tbody>
</table>

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https://www.ssen.co.uk/StakeholderEngagement/KeyEngagementOutputs
1.9 Co-creation, partnerships and sharing of best practice

Our partners play a key role in the success of our business, from helping us better understand wider societal issues facing consumers, to the design and delivery of new products or services. We partner with organisations to challenge our thinking and help us deliver outcomes for stakeholders and customers that we couldn’t achieve alone.

This year we have proactively increased cross-sector collaboration, driving closer links with new partners, increasing our total to 84. Each partner is selected based on the specific requirements of the project or issue at hand, taking account of the impact and additional value that can be added through collaborative working. This year we have worked with strategic partners such as the Fair Tax Mark and the Living Wage Foundation to help challenge and shape our thinking on societal impacts. We have also worked with industry partners including WPD and Centre for Sustainable Energy, with whom we have created the Smart and Fair research initiative which will help us better understand the impact of the energy transition on vulnerable consumers.

Several delivery partners have also been selected this year to help us shape and offer services to customers that traditionally we find harder to reach. An example of this is the CAS Energy Advisors Programme which has already supported over 480 customers to date on matters of debt, housing, energy efficiency and most recently the impact of COVID-19.

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| Centre for Sustainable Energy | x |   | x | x |
| Citizens Advice              |   |   | x | x |
| Community Energy Scotland   | x | x | x |   |
| Deafscotland                 |   | x | x | x |
| DNOs                         | x | x | x | x | x | x | x |
| Dundee City Council          | x |   |
| Fair Tax                     | x |
| Institute of Customer Service| x |
| Just Eat                     | x | x |
| Living Wage                  | x |
| Low Carbon Hub               | x | x |
| National Energy Action       | x | x | x | x | x |
| Oxfordshire County Council  | x | x |
| Piclo                        | x | x | x | x |
| Royal Mail                   | x | x | x |   |
| Royal Society of Speech and Language Therapists | x |
| Scottish Fire and Rescue     | x | x | x | x |
| Scottish Government          | x |
| The Climate Action Group     | x |
| Transport Scotland           | x |
| University of Oxford         | x | x |
| WhatsApp                     | x | x | x |
| Water Companies              | x | x | x |

“SSEN reached out and set up a joint utilities group with all water companies and GDNs in its area. Through our partnership and the joint group we have shared best practice, lobbied for change and worked collaboratively to raise awareness and increase uptake of our support schemes, such as Priority Services. Working with SSEN enables us to reach and support more customers and partners; allows us to work towards meeting a Priority Services performance commitment; and operate in a more cost-effective way.”

Kate Robbins, Head of Customer Policy – Wessex Water

Working together to support young carers

This year we entered into a cross-sector partnership with National Energy Action, Wessex Water, the Thames Water Trust, South East Water and Bournemouth Water to help young carers stay safe and warm at home.

The project provides vital education on energy and water efficiency through a series of enjoyable activities, helping young carers improve their confidence, develop new skills and cope with day-to-day issues.

The initiative also looks to raise awareness of the Priority Services Register amongst young carers. By working in partnership, we’re ensuring that if a young carer signs up, with their permission, their details can be shared with their water utility, electricity supplier and gas transporter to help them get the additional support they need.

“This is an important initiative that will play an important part in helping young carers understand how they can use water and energy as efficiently as they can, hopefully reducing their anxiety about this crucial household expense.”

Laura Bennett, Head of Policy at Carers Trust
A focus on the future

The strategic themes our stakeholders helped us set for 2019-20 continue to provide a solid framework for engagement and delivery in 2020-21. However, we remain ready to adapt as stakeholder priorities change, and find new ways of engaging during COVID-19.

1.10 Consumer vulnerability

Building on our work in 2019-20, we will continue to take a data-driven approach to understanding and improving our services to customers in vulnerable situations.

A key focus will be the closure of PSR gaps in our southern licence area.

Driving innovation in core services

Making our core services better for our customers is a constant. In 2020-21, we will work in each area of our business to understand how input from customers and stakeholders can help drive increased outcomes for customers and network users.

Delivering in the public interest

Action on legitimacy is not dictated by an election cycle. We will engage with stakeholders and customers on how we can further meet the public interest RIIO-ED1 criteria on input and feedback on our emerging sustainability strategy and social purpose.

Enabling the net zero transition

Working with our stakeholders, we will collaborate and innovate to ensure the swift progress in ED1 is delivered as required. We also intend to develop further strategic partnerships, particularly in our southern region, on electrification and flexible networks.

Supporting safe and resilient communities

Resilience and safety are in ever sharper focus. We will continue to work collaboratively to identify ways we can further improve local resilience and seek to support communities of interest as well as communities of place.

Improving, adapting and collaborating

We remain committed to continual improvement in the way we engage with our stakeholders and we will adapt our programme to meet their changing needs during COVID-19. We will deliver early benefits in ED1, from our ED2 enhanced engagement programme including a shared programme of extensive consumer engagement.

RIIO-ED2 enhanced engagement

Our independent Customer Engagement Group (CEG) met for the first time in September, holding four meetings in total during 2019-20. Chaired by Tracey Matthews, who also led the SSEN Transmission RIIO-T2 User Group, the role of the CEG is to provide constructive, informed and objective challenge to SSEN’s business plans, such that customers, consumers, stakeholders and regulators can be confident that changing needs and expectations have been properly understood, balanced and reflected in the plans.

The group brings together 12 experts who have varied backgrounds in areas including energy regulation, consumer advocacy, fuel poverty, community renewables and asset management. The CEG chair will meet with the Board on a regular basis and arrangements for co-ordination with the Stakeholder Advisory Panel have been agreed.

We are confident the CEG will provide the right level of industry and consumer insight, whilst also providing independent challenge and scrutiny to our business plan. Alongside the continued involvement of the CEG, we have commenced an enhanced consumer and stakeholder engagement programme to ensure our business plan is fully shaped by external views and is reflective of societal needs. To avoid stakeholder fatigue and deliver value for money, we will look to combine events and consumer insight activity with ED1 engagement, where it makes sense to do so.

“With a deep-rooted customer and stakeholder-centric culture, SSEN has further developed its stakeholder engagement strategy with new focus, tools and formalised processes, further strengthening their commitment to the standards and to their stakeholder’s needs and objectives.”

Andrew Roper,
Director of DSO and ED2

“Making our core services better for our customers is a constant. In 2020-21, we will work in each area of our business to understand how input from customers and stakeholders can help drive increased outcomes for customers and network users.”

1.11 Independent accreditations and audits

AA1000 Stakeholder Engagement Standard (AA1000SES):

SSEN has been assessed against the AA1000 Stakeholder Engagement Standard (SES) for each of the last three years. This sets the standard against which SSEN benchmarks itself. The assessment included interviews with internal and external stakeholders, as well as an audit of our stakeholder plans, tools and processes. Our continued accreditation against this standard demonstrates our commitment to the design, implementation and communication of quality stakeholder engagement.

Further accreditations and standards

At SSEN, we believe in the strength of collective action on the issues that matter to our customers, stakeholders and communities. We are proud of our long-standing associations with the Fair Tax Mark and the Living Wage Foundation and, where possible, we seek to collaborate within our industry and beyond to share best practice. In 2019-20, we focused on improving our approach to inclusivity and diversity (Part 2, page 6) and ‘walking the talk’ on Electric Vehicles by committing the EV100 pledge (Part 2, page 8).

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