

Annex 28: Strategy for Engaging Stakeholders in RIIO-T2



CONTENTS

1.1	Co-creating our strategy	A1
1.2	How do we know we are focused on the right topics?	A1
1.3	Strategy structure to deliver consistent engagement activities	A2
1.4	Our Mission Statement	A2
1.5	Our Principles	A3
1.6	Our Approach	A3
1.7	Step 1 – Defining the Purpose	A4
1.8	Step 2 – Identifying and Mapping our Stakeholders	A4
1.9	Step 3 – Tailoring the engagement	A6
1.10	Step 4 – Engagement	A7
1.11	Step 5 – Capturing Feedback	A8
1.12	Step 6 – Determine Wants and Needs	A8
1.13	Step 7 - Develop and Prioritise Actions	A8
1.14	Step 8 – Act	A9
1.15	Step 9 – Close Feedback Loop	A9
1.16	Ongoing role for the Transmission User Group	A11
1.17	Engaging on our Digitalisation Strategy	A11
1.18	Performance Commitments	A12
1.19	Supporting Vulnerable Customers	A13

LIST OF FIGURES

Fig. 1	Our Stakeholder Engagement Strategy structure	A2
Fig. 2	Our Principles	A3
Fig. 3	Our Approach	A3
Fig. 4	Engagement Topics	A4
Fig. 5	Knowledge Levels	A5
Fig. 6	Example Methods of Engagement	A7
Fig. 7	Potential Engagement Risks	A7
Fig. 8	'Tractivity' Feedback Quick Entry Screen	A8
Fig. 9	SROI Measurement Tool	A9
Fig. 10	Stakeholder Engagement Monthly Report	A11

OUR ENHANCED STAKEHOLDER ENGAGEMENT STRATEGY

Over the last year, we took the opportunity to build on strong previous performance by continuing to improve the way that we engage. We have enhanced our strategy, identifying and targeting our weaknesses, and building on our strengths.

Building upon the lessons we have learned since implementing our first strategy in 2013, our revised strategy has been co-created with our Strategic Stakeholder Panels, incorporating feedback from recognised experts in stakeholder engagement – AccountAbility and Sia Partners.

Each year we review our strategy to make sure it is tailored to best suit our stakeholders and customers.

We believe that, as a result, our new strategy represents a positive shift in approach – ensuring our engagement is more targeted, our approach is more robust and our end results more measurable.

1.1 Co-creating our strategy

The AA1000 standard for stakeholder engagement is globally-recognised. Not only does our strategy align with this, we have asked the owners of the standard AccountAbility to conduct an annual audit of our Stakeholder Engagement strategy, governance, activities and communications.

AccountAbility evaluates maturity in stakeholder engagement processes and embeddedness, identifying four maturity stages for an organisation. The assessment involves director and senior manager interviews, demonstrating senior manager buy-in and engagement, as well as a robust evidence check.

In addition, we have engaged Sia Partners, who are experienced in the utility industries and the gas and electricity regulatory market. They provided expert advice, guidance and benchmarking, recognising best practice globally.

Our stakeholder's views are important to us. When creating our new Stakeholder Engagement Strategy, they were at the heart of all decision making. During our Strategic Stakeholder Panels, we worked with our stakeholders to co-create, develop and test each step of our new strategy, ensuring every piece of feedback was taken on board.

1.2 How we know we are focusing on the right topics?

Last year we conducted an in-depth study with end consumers. We did this to make sure we were focusing on the topics that matter to them, and that we were representing the key values they expect us to hold.

We held six discussion groups ranging from non-adopters to new technology, early adopters, future stakeholders and participants aged 60+. We looked for key themes/points arising, asked why these were important and discussed what those mean for them, their local area and their families.

We tested a series of messages with innovative 'dial testing' to capture real-time reactions and sentiments, to see what themes received a positive reaction from participants.

Based on this research, we structured our engagement approach around three strategic themes: Better, Future, Quicker.

Better

A sustainable network – that enables clean growth and better public services. As a transmission operator, we have a critical role to play in decarbonisation. Our transmission network must be prepared for an increase in renewable generation connections and the decarbonisation of heat and transport – areas our stakeholders have told us are of utmost importance.

Future

A resilient network – Throughout our engagement we've consistently explained how the change in Scotland's energy mix has been necessary to provide a better, more sustainable future for all. Along with this changing energy mix and loss of more stable forms of generation across GB comes greater responsibility to make sure our stakeholders are aware of the increasing importance of a resilient network. To allow our communities to thrive under this new energy mix, maintaining a focus on resilience is vital if we are to provide a safe supply to our customers and households across both Scotland and Great Britain as a whole.

Quicker

An innovative network – we are increasing personal freedom for our customers through innovation such as digital substations, faster connections and preparing for future energy scenarios. Throughout RIIO-T2 we are collaborating with our stakeholders to make sure our network and service is as efficient and reliable as possible to users.

We will conduct an annual process to make sure we go back to our network users and consumers to make sure our topics are relevant to them.

1.3 Strategy structure to deliver consistent engagement activities

To ensure our strategy is robust, consistent and to make sure our outcomes deliver value for money for our stakeholders and customers, our strategy has been structured in four parts.



Figure 1: *Our Stakeholder Engagement Strategy structure*

1.4 Our Mission Statement

This strategy is the result of our journey – a combination of industry best-practice, stakeholder and customer feedback, and years of our own experience delivering high-quality engagement throughout RIIO-T1.

The mission statement defines our engagement; what it will deliver and how we will be different. This ambition builds on our current strengths, while consciously focusing on what will make future engagement valuable and effective for our customers.

Our mission statement was co-created by working with our stakeholders during our Strategic Stakeholder Panels making sure their wants and needs were at the centre of what we do:

‘Our engagement places our stakeholders and customers at the centre of what we do. With a tailored and locally focused approach, we will prioritise their wants and needs in a consistent manner across our business. We will deliver safe, reliable services, sustainable value, and a better future, quicker.’

1.5 Our Principles

Stakeholder engagement in RIIO-T2 will follow our five new principles in our new strategy following stakeholder and accredited third party feedback and sharing of best practise throughout RIIO-T1. These five principles will allow us to be responsive to our stakeholder needs and to maintain up to date understanding of these needs, as we will continually look to better our approach year on year.



Figure 2: Our Principles

Our principles were created with the help of our stakeholders during our Strategic Stakeholder Panels, to make sure our principles were in synergy with what our stakeholders expected from us.

1.6 Our Approach

With our mission statement showing our ambition and our principles setting out the underlying characteristics of our activities, we have built on our existing pillars and processes to define a 9-step approach to engagement.

The approach consists of a series of sequential steps that detail how we plan, review and close all our engagement activities. Our new approach ensures we identify stakeholders and customers wants and needs and that everything we do is value for money.

This approach incorporates and builds on the best practice methods learned in RIIO- T1 and feedback from experts to help improve planning and consistency of our stakeholder engagement.

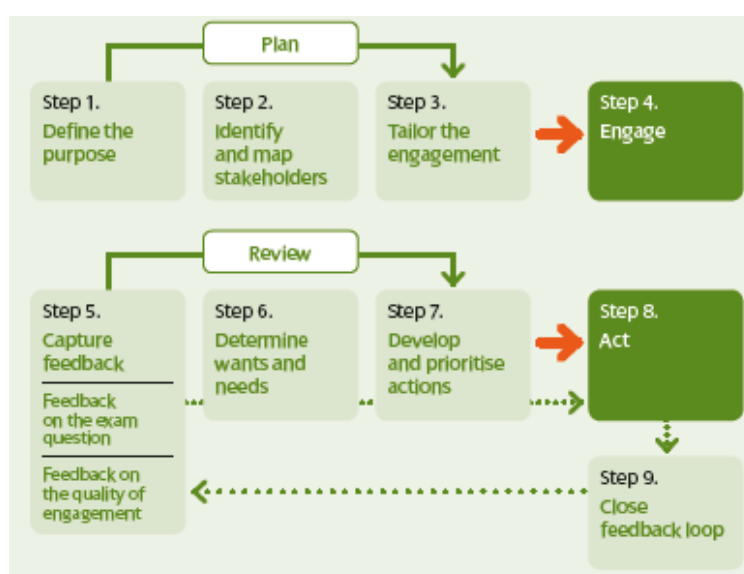


Figure 3: Our Approach

1.7 Step 1 – Defining the purpose

Our focus on a definitive purpose is evident in our approach to engagement planning and will continue throughout RIIO-T2. We operate with one business wide engagement plan under our three themes, with eleven clear topics.

Engagement broken down by topic:

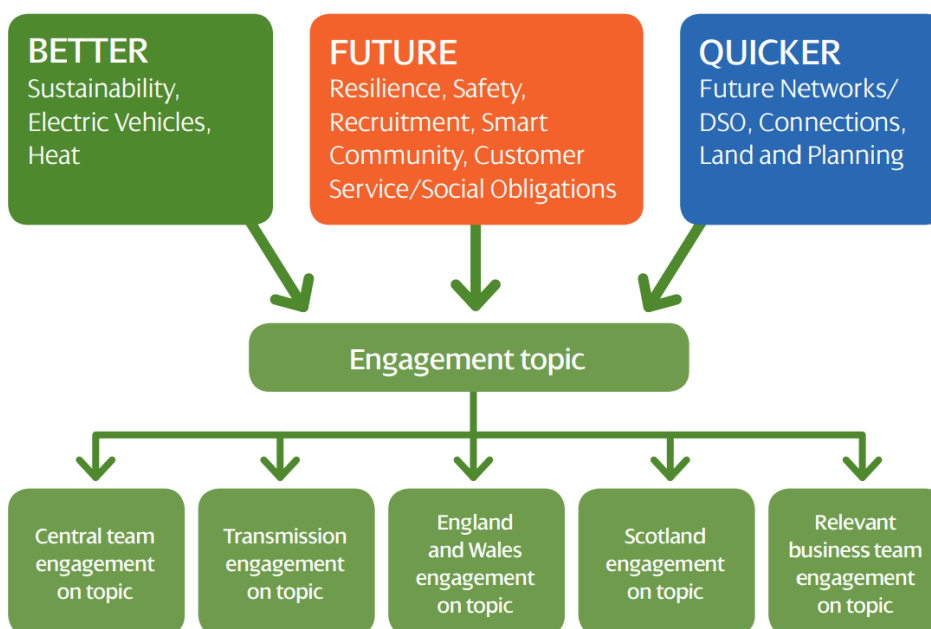


Figure 4: Engagement Topics

Each topic is owned by a senior manager, responsible for engagement across the whole business including executive team, senior management, centralised departments and local teams demonstrating buy-in from across the business. This approach provides a central view of engagement and ensures we minimise duplication and identify gaps early in the planning process.

This planning approach also mitigates the risk of engagement taking place without the participation and knowledge of key staff, as each topic is owned by a senior manager. By organising engagements on a topic by topic basis, we can ensure that all relevant staff are identified and are aware of engagements planned across the whole business.

1.8 Step 2 – Identifying and Mapping our Stakeholders

With a clear purpose defined, we identify the key stakeholders who are best placed to provide the insight required and help us achieve our objectives. To do this, we need an understanding of the knowledge levels of our stakeholders on the particular topics we are engaging with them on.

We have implemented an industry leading system, 'Tractivity'. Built to enforce our strategy around the core principles of stakeholder engagement, 'Tractivity' has over 4000 stakeholders registered, categorised into 15 groups and 56 sub-groups which help us identify their specialist expertise and knowledge levels. We continually update this database to ensure the correct information is being stored and the correct stakeholder data is being used.

This was completed by assigning knowledge levels of each of our nine strategic topics for every stakeholder. This understanding is developed and updated on an ongoing basis, which shows we are constantly making sure the stakeholder knowledge levels we have are accurate, resulting in the correct stakeholders being engaged with for each topic.

As we are constantly looking to evolve in RIIO-T2, every year we will identify knowledge gaps within our stakeholders and look at how we can fill the gaps, by drawing reports which identify gaps in knowledge.

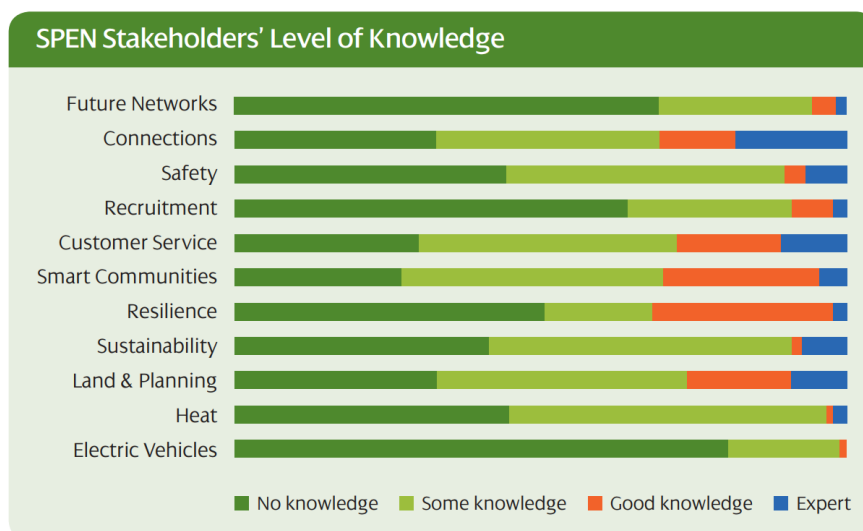


Figure 5: Knowledge Levels

This method of segmentation helps us engage and gather informed feedback from all parties involved and affected by any given situation. We carry out a gap analysis on our portfolio of stakeholders contacts, as part of our engagement planning process. We are then able to identify gaps of hard to reach stakeholders who are affected by the topic we are engaging in. When we have identified a gap, we employ a range of methods to find and establish relationships with those hard to reach stakeholders.

By taking the additional step to segment our stakeholders by their knowledge, we can continue to effectively tailor our engagement not just to the purpose, but also to the level of knowledge of the individuals in attendance. We can maximise our time discussing the issues at hand, minimising the time required to educate attendees to the level required, further increasing the value for money of our efforts.

End consumers

We know it is challenging to engage with our end customers in transmission topics. Often a large amount of explanation and education is required before we can engage meaningfully with this group.

However, through our strategy, we can ensure we identify and map customers correctly, tailoring both our messaging and our engagement methods accordingly.

We will also seek to address this in a number of ways:

- Engaging with consumer groups who can represent our consumer's interests.
- Engaging with consumers at the time when they are impacted by one of our transmission projects.
- Conduct more innovative market research with end consumers.

Hard to reach stakeholders

One of the over-arching principles of our Stakeholder Engagement Strategy is to be 'Inclusive', which explains how we engage with all customers (current and existing) and stakeholders who are impacted through our work, with a particular focus on hard to reach groups, especially as we move from RIIO-T1 to RIIO-T2.

Our new stakeholder engagement strategy embeds, at its core, the four principles of the AA1000 stakeholder engagement standard – Inclusivity, Materiality, Responsiveness and Impact. These ensure we engage at all levels, with a specific focus on those who are hard to reach, determine the most relevant and significant issues for us and our stakeholders, act on the outcome of our engagement - making the necessary changes to our business and then measure the results.

From our most recent health check, AccountAbility noted:

"it is encouraging that the business also consults known stakeholders to help identify other stakeholders that should be involved, utilising the knowledge of actors who may be able to unlock more insight and be closer to stakeholders that could be voiceless or unaware."

Identifying and prioritising a broad and inclusive range of stakeholders is key to our engagement planning as we move in to RIIO-T2. The mapping process outlined in step 2, helps us to identify gaps in both our stakeholder portfolio and our engagement plans, which we can then act upon.

Gap analysis

Through lessons learned in RIIO-T1, our process makes it easier for senior managers to identify gaps in our engagement:

- Our stakeholder database, Tractivity, allows us to segment our contacts across topics and levels of knowledge. By using this centralised system, we can identify gaps in our portfolio of contacts quickly and easily. It is also used to research and seek out additional stakeholders.
- This process helps senior managers and engagement owners consider the selection of stakeholder groups involved and if there are hard to reach stakeholders who are directly impacted by the topic we are engaging, who may or may not have been involved previously. As part of this process, we always proactively look beyond that reach, to those who may not consider themselves a stakeholder.
- We hold annual hard to reach reviews for key internal stakeholders across various functions of the business, which helps us be responsive and make sure no stakeholders are left behind. This discussion is to consider potential new partners and further develop who are our groups of hard to reach stakeholders.

Tractivity allows us to operate more innovatively – with robust data and transparent engagement across our organisation we were able to take steps to address these gaps confidently, with flexible reporting and the ability to truly analyse our data we could tailor information provision and make sure we gathered valuable feedback from these groups and worked to identify hard to reach or challenging stakeholders.

Throughout RIIO-T2, we will employ a range of methods to reach out and seek new relationships with these hard-to-reach stakeholders, both for those we know about and those we don't. These methods include but are not limited to:

- Seeking referrals from our existing stakeholders, which helps highlight stakeholders in geographic regions which are hard to reach.
- Attending relevant community events on a regular basis (e.g. town halls in rural communities).
- Reviewing government's database of national charities and non-profits, particularly useful in identifying trusted third parties that can speak to on behalf of some harder-to-reach groups.
- Performing on-line research and making direct contact through our local teams.

1.9 Step 3 – Tailoring the engagement

To ensure maximum value is gained from each event from key learnings in RIIO-T1, we tailor three distinct aspects of the engagement:

Tailored content, before, during, and after the event

Whether we are educating and informing our stakeholders and customers, or gathering information from them, to communicate effectively, the information presented, and questions asked, will be pitched at the most appropriate level for the particular stakeholders and customers ensuring they fully understand and we capture accurate views and feedback from our stakeholders and customers.

From lessons learned in RIIO-T1, we have taken on board feedback that stakeholder fatigue is an issue. We were mindful of the increased potential for repetition, particularly when engaging with the limited number of stakeholders with expert knowledge in smart communities.

Tailored methods, to reach a wide and varied stakeholder and customer base

Just as our stakeholders' level of knowledge impacts the content we provide them, their profile also drives the ideal method which we engage. We have developed a Matrix tool to empower staff to make the right decision. As with all of our engagement activity, we have listened to our stakeholders and were mindful of variances in stakeholder's level of knowledge and how they like to hear from us, which will continue throughout RIIO-T2.

Tailored communication, including invitations, briefings, outputs and next steps

We will invite and brief stakeholders and customers with information tailored to their knowledge level. This will include key information including:

- The purpose of the engagement
- What stakeholders are expected to contribute

All communication will be made available to stakeholders in good time, taking into account any language, disability or literacy issues to ensure our engagement is as inclusive as possible.

This step helps us ensure we act to engage hard to reach groups appropriately. We look to tailor specific, targeted engagement to help stakeholders to engage on specific topics of interest to them.

We developed a matrix tool to empower our teams to make the select the right method for their engagement:



Figure 6: Example Methods of Engagement

1.10 Step 4 – Engagement

The result of our planning phase is an inclusive, tailored and value for money engagement event, ready to be delivered. To ensure that our engagements are facilitated well and deliver the intended results, we have taken guidance from the AA1000SES accreditation on the formal identification and management of risks.

The owners of each engagement event, based on the profile of the stakeholders attending the event, assess the potential of each risk, and follow our processes to address it accordingly before and during the engagement. These risks can be either stakeholder-centric or organisational, however they are identified and addressed in the same manner.

Potential Engagement Risks	
Stakeholder risks	Organisational risks
Unwillingness to engage	Damage to reputation
Stakeholder fatigue	Loss of control of issues
Lack of balance between weak and strong stakeholders	Strong criticism
Uninformed stakeholders	Creation of conflicts of interest
Technical barriers	Internal disagreement
Impediments to a stakeholder's attendance or participation in an event (e.g. travel, language)	Non-compliance with internal policies

Figure 7: Potential Engagement Risks

This step is where senior managers proactively identify engagement risks, demonstrating buy in to our new strategy, e.g. an unwillingness to engage, uninformed stakeholders, technical barriers such as no internet access. We have implemented a process within our stakeholder engagement toolkit for our teams to assess these potential risks and address it accordingly.

The owners of each engagement pay particular attention to the disclosure of information associated with each event. For example, certain information shared by us or stakeholders during an event may be confidential, and should not be shared outside of the engagement. In order to mitigate the associated risks, our teams are aware of what information can and cannot be shared in public and take appropriate steps to ensure this is enforced (e.g. confidentiality agreements).

AccountAbility said in their most recent Healthcheck:

“SP Energy Networks appears to consider the views of stakeholders on what mechanisms are the best to enable their effective engagement, in particular considering factors that may impede the ability of stakeholders to engage such as capacity to travel or resource availability”, and “Interviews indicated numerous examples of where the business has considered the most appropriate method to meet the capacity of stakeholders and also fit the purpose of engagement.”

1.11 Step 5 – Capturing Feedback

Our engagement process, and subsequent business decision making, continues to be driven by the feedback we receive from our stakeholders. This feedback remains crucial in designing and delivering services that are right for those affected by any area of our business, which will be embedded throughout RIIO-T2 from key learnings learnt in RIIO-T1.

We have built on the foundation of our approach to data – Tractivity, our Stakeholder Management System and used internal learnings and feedback to make improvements to both the suggested content of feedback to collect, and the means with which our users can record this feedback in the system. We have, and will continue to listen to our Tractivity users to make sure the system is easy to use and quick to input without losing valuable stakeholder feedback. Tractivity has been successfully embedded with our senior managers, resulting in valuable feedback being tracked and outcomes being delivered.

To improve our process of capturing all our engagements centrally, and make it less time consuming, we have developed a ‘quick-entry’ screen to make it easier for users to enter multiple pieces of feedback and actions required in one screen in minutes. This will be reviewed every year to make sure the feedback collected is being tracked and inputted to the best of its value.

Supporting Tools & Processes

Quick entry screen:

Full details	Feedback quick entry	Engagement quality	Invited contacts	Associated feedback	Issues / Sub-issues	Activities	Attachments
Feedback title	Feedback notes		Issue	Stakeholder (attendee or anonymous)		Activity?	
							<input type="checkbox"/>
							<input type="checkbox"/>

We have ensured that by concentrating on the key outputs (feedback items recorded, and actions identified), we have minimised the data entry required, increasing the volume and value of information recorded for engagement across the board.

Figure 8: ‘Tractivity’ Feedback Quick Entry Screen

1.12 Step 6 – Determine Wants and Needs

Once feedback has been recorded against an event, we will review the output, updating our understanding of the wants and needs of the individuals affected by our business. By analysing this feedback to identify areas of service improvement, instances where needs are not currently being met and potential areas for targeting our resources, we focus our actions on the business change our customers and stakeholders care about most. This demonstrates our belief in the importance of authentic engagement.

This step is short but central to the effectiveness of the overall strategy. Without a clear understanding of wants and needs that exist within our network, we cannot measure the effectiveness of the actions, outputs and outcomes we deliver. This will be tailored each year, as our and our stakeholders wants and needs change over time.

1.13 Step 7 – Develop and Prioritise Actions

We aim to provide value for money through all services – a principle that lies at the heart of everything the business delivers. Demonstrating this value rests on our ability to measure potential outputs and prioritise accordingly. Whilst this is something we have always inherently done, we have recently focused on adding structure to our approach. This better justifies where and why we have acted, for our stakeholders.

1.14 Step 8 – Act

While feedback is the output of the 'Plan' phase, actions are the output of the 'Review' phase. Each step, from capturing feedback, determining wants and needs, to developing and prioritising actions leads to a list of actions for the business to complete that will make the services we offer better.

Each of these actions is recorded and monitored, providing visibility of the full process from engagement conducted, feedback collected, to action taken. This action is the sum of all work to this point, improving our approach across whichever topic is the subject of the engagement.

1.15 Step 9 – Close Feedback Loop

With our engagement complete, our feedback collected, and our actions taken, the final step of approach is to close the feedback loop. This step consists of two parts:

Measure the success of actions taken

We never lose sight of the fact that everything we do as a business and the services and benefits we provide are funded by our customers.

'Value for money' is an important principle of our strategy. This rests on our ability to measure the value of the benefits we deliver and prioritise accordingly.

We have developed a ground-breaking new measurement tool. This tool models the financial costs and benefits used in a traditional Cost Benefit Analysis but also includes the estimated financial value of qualitative 'social' benefits we've delivered.

Whilst we feel this is something we always inherently do and has been done throughout RIIO-T1, our measurement tool will help us improve the robustness of our assessment.

Our new Social Return on Investment (SROI) tool allows us to quantify and forecast the costs and benefits of initiatives over time. The tool allows us to demonstrate, for each pound we spend on a service, the net benefit created for our customers.

It models financial costs and benefits used in a traditional Cost Benefit Analysis but also includes the estimated financial value of qualitative 'social' benefits that we've delivered. We estimate the value of social benefits by using industry-standard proxy data (from respected sources such as HSE, Social Value Bank etc). The tool is designed to utilise the results of willingness to pay studies, when proxies are not available.

This ensures that the assumptions we make are as accurate as possible and verified with our customers.

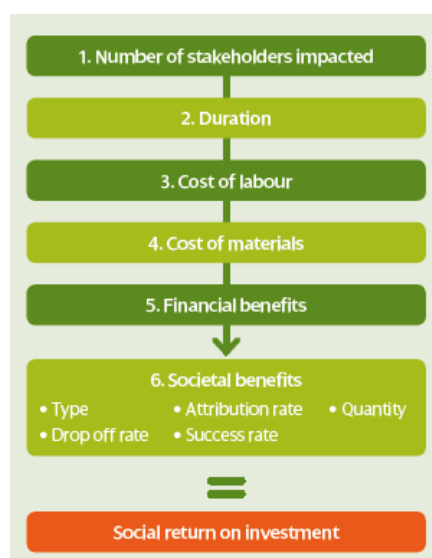


Figure 9: SROI measurement tool

Inputs to the tool

We start by gathering together the required inputs for the tool:

- The number of stakeholders impacted
- Duration of the project
- Cost of labour and materials
- Financial benefits

Societal benefits

Next, we insert qualitative descriptions of the societal benefits we expect to see from the project.

Financial proxies

Then we find financial proxy values associated with each of the benefits. We use publically available information, or our own market research – including the joint DNO willingness to pay values from Accent.

Estimating benefits

Finally, we insert the financial proxies to the tool and then improve the robustness of the calculation by assessing:

- How much of each benefit can be attributed to SPEN.
- How much the benefit 'drops off' year on year.
- The % likelihood of the benefit being successfully achieved.
- The number of people impacted by each societal benefit.

Social Return on Investment figure

All of this work then returns in a simple calculation of the social return on investment of the project – expressed over 1 year, 5 years, 10 years or 15 years.

We can also use the tool to compare different investment options in advance of decision making. This helps us to decide which option to select, providing an unprecedented level of maturity in directing investment. This approach allows us to justify, both internally and externally, which projects to scale up or close down, maximising the value for money we deliver for our customers.

We plan to conduct consumer Willingness to pay research during the RIIO-T2 period and this new hybrid tool ensures we can use the output of this research as just one input to the tool, alongside other proxy values, to improve the robustness of our cost-value analysis.

Identify how and where we can improve our engagement approach

We have a new mechanism to record feedback specific to the quality of the delivered engagement.

To 'close the loop', we review this feedback, whether improving our understanding of our stakeholders, or improving our tailoring, and build it into our approach going forward.

The aim is to continue the feedback loop we've developed through years of previous engagement, supported by our tools, processes and recent updates to our approach. We use our new measurement tool to assess the impact of our actions and prove value for money.

The underlying aim is to continue the perpetual feedback loop we've developed through years of previous engagement, supported by our tools, processes and recent updates to our approach.

Reporting

We have a comprehensive monthly reporting process to enhance the visibility of engagement that has taken place to our CEO and executive team, resulting in successful buy-in.

Furthermore, we are now sharing summarised reports externally to ensure we report back to stakeholders on the action we have taken.

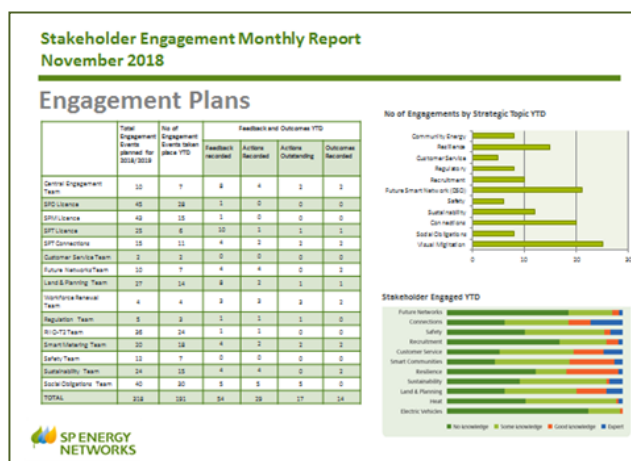


Figure 10: Stakeholder Engagement Monthly Report

1.16 Ongoing role for the Transmission User Group

The purpose of the independent user group is to provide formal challenge and input to our RIIO-T2 Business Plan. The group represents the wide-ranging needs and requirements of our multiple network users, customers and stakeholders.

We intend to maintain our Transmission User group throughout the RIIO-T2 period. We believe that this informed group can play a key role in influencing business decision making over this period, ensuring commitments are delivered and assessing business performance in key incentives.

In order to ensure the group remains representative of the users of the transmission system, we intend to work with the chairperson to conduct a review of membership prior to the start of the RIIO-T2 period, engaging with the chair, current members and external representatives and advisors from groups who have engaged with the user group over the business planning period, e.g. Scottish Government and Citizens Advice Scotland. We will also assess the format and frequency of meetings, adjusting accordingly as the group formalises its new remit.

We will continue to engage and collaborate with our fellow network operators through established best practice sharing groups – and share our progress with the user group.

1.17 Engaging on our Digitalisation strategy

As a proactive leader in the adoption of digital technologies and data, we are leading the way in digitalising the energy system, providing a modern network to meet future demand. This ensures better value for customers by cost effectively optimising the network, increasing safety and reliability and better targeting our investment programme.

We have created a holistic Digital Strategy, which not only highlights the digital and smart data projects already underway in the company, but establishes an overall framework that can be followed to make sure it is in the best position possible to initiate and respond to digital changes within the industry.

The strategy outlines the vision we have for the future of the networks industry, including the key capabilities it will require going forward.

This is not a static document, but has established protocols to ensure its continuous refreshing throughout the RIIO-2 period. We recognise the digital future of the networks industry is still subject to much change and there is a continuous requirement to engage with key stakeholders and then to adapt based on the feedback we receive.

This Digital Strategy is in accordance with Ofgem's request for information on Modernising Energy Data and Digitalisation initiatives within the September 2019 RIIO-2 Business Plan Guidance, as well as the recommendation actions of the Energy Data Taskforce of June 2019.

1.18 Performance Commitments

We have created the following performance commitments. Each year we will publish a transparent report and also update our enduring User Group on our progress.

- **Annual performance healthcheck:** AA1000SE is a globally-recognised standard for stakeholder engagement. We ask the owners of the standard, AccountAbility, to conduct an annual audit of our Stakeholder Engagement strategy.

Commitment: Achieve a score of 51% or above, 'Advanced status', on AccountAbility maturity framework each year, following evidence check and senior manager interviews.
- **Annual programme of engagement:** We have developed a comprehensive engagement programme, including Strategic Stakeholder Panels, Stakeholder Conferences and topic specific working groups. In 2018/19 we recorded 310 engagement events in Transmission. For RIIO-T2 we intend to embed this programme into Business-as-usual. Our strategy offers the flexibility to expand our engagement as new topics emerge.

Commitment: Embed an annual programme of engagement in our business, allowing stakeholders to see 100% of engagements on the SP Energy Networks website and, if applicable, register to attend. At an executive level, we will hold 3 director-led Strategic Stakeholder Panel meetings and 1 Stakeholder Conference per annum.
- **Reporting on performance:** In order to ensure transparency for our stakeholders, we will report on our performance – not just in terms of the engagement itself, but highlighting the recording and tracking of action taken on feedback and how the action taken has led to societal benefit.

Commitment: We will report annually on our latest engagement performance, including social return on investment generated by our stakeholder initiatives. Target a 5% improvement in the societal benefits achieved year-on-year throughout the RIIO-T2 period.
- **Digital collaboration tool:** We intend to take lessons learned from our current stakeholder online community to launch a brand new collaboration tool for our stakeholders. We will customise this to their wants and needs.

Commitment: Launch a new fit-for-purpose online tool, which gives our stakeholders easy access to a collaboration and engagement platform where they can easily engage with relevant content. Achieve a 70% satisfaction rate through annual smart surveys to make sure online community is still fit for purpose for our stakeholders.

1.19 Supporting Vulnerable Customers

We are committed to deliver tailored support that our customers want and need in the most cost-effective and efficient way possible. Our approach is to deliver this through our Scottish distribution licence, where we already have a direct relationship with the 2m households in our area.

We do not believe a specific consumer vulnerability programme should sit at a Transmission level and therefore do not wish to apply for any extra funding to support this. We look to support our vulnerable customers through our partnership with our Distribution company, and therefore is not included in our Transmission plan to ensure unnecessary additional costs are not passed onto customers.

We are clear that this is the appropriate way to target activities to support vulnerable customers through strong engagement, a wide range of services to support the needs of our customers as well as our network of partnerships so we can deliver services to those customers most in need. By doing this in our Distribution Strategy where we hold the direct customer relationship, we can ensure costs are not duplicated and that we are delivering for our customers in the most efficient way.

SP Energy Networks Vulnerability Strategy Mission Statement:

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

Our distribution-led services and partnerships support customers in a variety of situations such as Low Income, Fuel Poverty, Social Isolation & Resilience. Our measurement tool allows us to make the right choice when establishing new partnerships and services and gives us the understanding of the value our services deliver so we can continuously improve our strategy.

Our staff are trained and accredited annually and we have built in-house training capabilities to ensure training can be fully tailored with the input from expert partners and consumer bodies.

In the Incentive chapter of our plan we introduce our proposal to establish a Net Zero fund, which will facilitating low carbon initiatives, with a specific focus on communities in vulnerable circumstances. This is one way in which our stakeholders have told us we can support vulnerable communities as a Transmission operator.