



Part One Submission

Stakeholder engagement and consumer vulnerability strategies



Welcome

Western Power Distribution (WPD) is the Distribution Network Operator (DNO) responsible for delivering electricity to 8 million customers across the East and West Midlands, South West England and South Wales.

This is Western Power Distribution's Part One submission to Ofgem's Stakeholder Engagement & Consumer Vulnerability (SECV) Incentive for the regulatory year 2021/22.

2021/22 is the seventh year of the eight year Business Plan period called RII0-ED1. This stands for:

**Revenue = Incentives + Innovation + Outputs
(Electricity Distribution 1)**

It is the regulatory framework introduced by Ofgem and is designed to drive clear outcomes and benefits for consumers, and provide companies with strong incentives to step up and meet the challenges of delivering a low carbon, sustainable energy sector.

Ofgem's SECV Incentive is an annual scheme, which encourages network companies to engage proactively with stakeholders in order to anticipate their needs and deliver a consumer focused, socially responsible and sustainable energy service.

WPD's submission to this incentive is divided into three parts:

Part 1
WPD's stakeholder engagement & consumer vulnerability strategies and key evidence (demonstrating that we meet Ofgem's minimum requirements).

Part 2
Key outcomes resulting from WPD's stakeholder engagement activities.

Part 3
Key outcomes resulting from WPD's consumer vulnerability activities.

Contents

	Page
1. Introduction	01
2. Stakeholder engagement strategy	02
3. Customer vulnerability strategy	02
4. Commitment at a senior level	04
5. Tailored engagement and collaboration	05
6. Key outputs and outcomes	06
7. Audit and accreditation	08
8. Recalibrating our approach	08
9. Delivering maximum social value	09
10. Measuring the impact of our engagement	10

Phil Swift, WPD's CEO addressing his team at a bi-annual Leadership Conference

SMART
Resilience
Decarbonisation
Value for money
Training
RIIO-ED2
Low carbon
Workforce planning
Digitisation
Investment
Working
to build
Innovation
Value for customers
Communi



1. Introduction



There are three factors I believe set WPD apart in terms of stakeholder engagement – 1) the extent to which we share decision making power, working with our stakeholders to co-create plans; 2) our relentless focus to turn talking into action; and, 3) the quality and scale of the positive outcomes we deliver for customers.

I want WPD to be the best utility network in the UK. Key to achieving this is having ambitious and effective engagement and customer vulnerability strategies, which are continually reviewed and updated with stakeholders. These are rightly a key minimum requirement for this incentive scheme. The efficacy of our strategies is clearly demonstrated by the huge variety of industry-leading outcomes outlined across our submission documents.

In the last three years in particular, we have worked tirelessly to expand our services, and our approach to social value measurement reveals we are achieving our greatest impact yet. We have proactively contacted 6.3 million Priority Services Register (PSR) customers since 2019/20 including 1.6 million ahead of the worst storms in 30 years in February 2022, meaning our data is more accurate than ever. This has enabled us to deliver extensive support, including identifying new vulnerable customers to offer bespoke assistance when they needed it most. The impact of Covid-19, compounded by rising energy costs across the globe, has brought significant challenges for our customers. Many who were 'just about managing' are now struggling to pay their bills. As a result, our enduring, industry-leading fuel poverty partnerships have really come into their own. I am immensely proud of the record breaking savings we have delivered, with over 66,000 customers saving more than £35 million in the last three years alone. These achievements are testament to the core aim of our approach – to always deliver positive outcomes that have a meaningful impact on the lives of those we serve.

At the same time, we are driving a significant transformation in the energy sector. Revolutionising the way we operate a smarter, low carbon grid is essential to help our stakeholders meet their ambitious targets for net zero, decades ahead of 2050. I've heard from stakeholders directly that WPD must lead this change, and this is a role we take very seriously. We aren't waiting for RIIO-ED2 to deliver the services customers have asked for and in collaboration with our stakeholders are taking significant steps already, as set out in our submissions.

I am crystal clear with everyone at WPD – customers must be at the heart of the shift to net zero. We have led the industry in championing community energy, working closely with the groups in our region to co-develop strategies, leading to increased participation in flexibility services and innovation projects. This year we went even further, broadening our engagement with an expert WPD Community Energy Engineer, ensuring entire communities can benefit from decarbonisation. In addition, new approaches to our future energy scenarios are putting local stakeholders at the heart of our forecasts – we don't just understand and accommodate pre-existing local authority requirements, we actively partner them to achieve

highly ambitious and deliverable pathways to net zero that are tailored to their needs, preferences and local aspirations.

In 2021/22, we have delivered 384 key outcomes for our customers, the highlights of which are detailed in these submissions.

This was only possible thanks to the breadth, maturity and embedded nature of our engagement, where we are actively partnering with stakeholders, collaborating at every stage to ensure we deliver the greatest benefits possible for customers. As part of a continuous cycle, we return to stakeholders to understand their priorities, co-develop action plans, refine our approach and measure the impact, all while remaining flexible and responsive to new insights as they emerge. Stakeholders repeatedly engage with us because they can see that their views lead to action. In turn, these enduring relationships mean stakeholders are now able to feedback with increasing depth and breadth of knowledge.

I have seen this first hand. I attend WPD's Customer Panel, Connections Steering Group and RIIO-ED2 Customer Engagement Group, and personally facilitate discussions at our annual stakeholder workshops alongside wider industry engagement. I also continue to seek the honest views of our employees; I have hosted two Senior Leadership Conferences this year, as well as meeting with small groups of staff at a number of our offices and depots, to explore the topics that they want to discuss and gain direct feedback on all aspects of WPD.

In this Part One submission, we have provided evidence of the enduring components of our approach:

- Ambitious strategies that adapt to changes in our operating landscape.
- External scrutiny to benchmark our performance and identify improvements.
- Tailored engagement mechanisms that evolve every year to match the needs of new and evolving groups.
- Collaborative working and best practice to ensure benefits are shared for all UK customers.
- A robust method to measure the social value delivered by our activities, influencing decision making from the outset.

WPD must be a force for good in the communities we serve. This year, we were the first DNO to publish a Social Contract, a framework we have developed with stakeholders over the last two years to embed our social purpose and shape how we operate. It includes commitments that generate significant social and environmental value for our communities. A key component of this is our shareholder-funded Community Matters Fund; originally established to support customers during Covid-19, it is now an enduring vehicle to broaden our engagement with the local communities we serve and achieve lasting benefits. Recognising the increased challenges facing our customers we have upped the fund to £1.5 million this year.

In summary, our approach to stakeholder engagement will remain vital as we develop innovative new approaches and drive efficiency in all we do. By partnering with our stakeholders we will help to make net zero a reality, ensuring all our customers can fully participate and benefit from a smarter energy system.

Phil Swift
WPD Chief Executive

Key outcomes delivered

Over

44,000

stakeholders engaged

384

key outputs and positive outcomes for customers

£14.6m

annual savings for 25,928 fuel poor customers

4.3 million

proactive contacts to PSR customers

709MW

of flexibility procured, deferring £48.5m of reinforcement

Social Contract launched

- a DNO first

2. Stakeholder engagement strategy

WPD's long track record of effective stakeholder engagement is underpinned by a relentless focus on ensuring engagement leads to action. The foundation provided by this strategy enables us to tackle an ever increasing range and depth of topics, and to manage the huge volume of feedback this delivers. We have moved way beyond straightforward 'listen and respond' engagement to a mature strategy, which enables us to actively partner with our stakeholders to develop effective plans and drive high levels of ambition.

WPD's core strategy: stakeholder engagement

Why we engage

- To understand our constantly evolving operating context and stakeholder priorities.
- To identify and drive service improvements.
- To hold us to account for our performance.
- To influence our long term decisions.
- To help us adapt and respond to change.

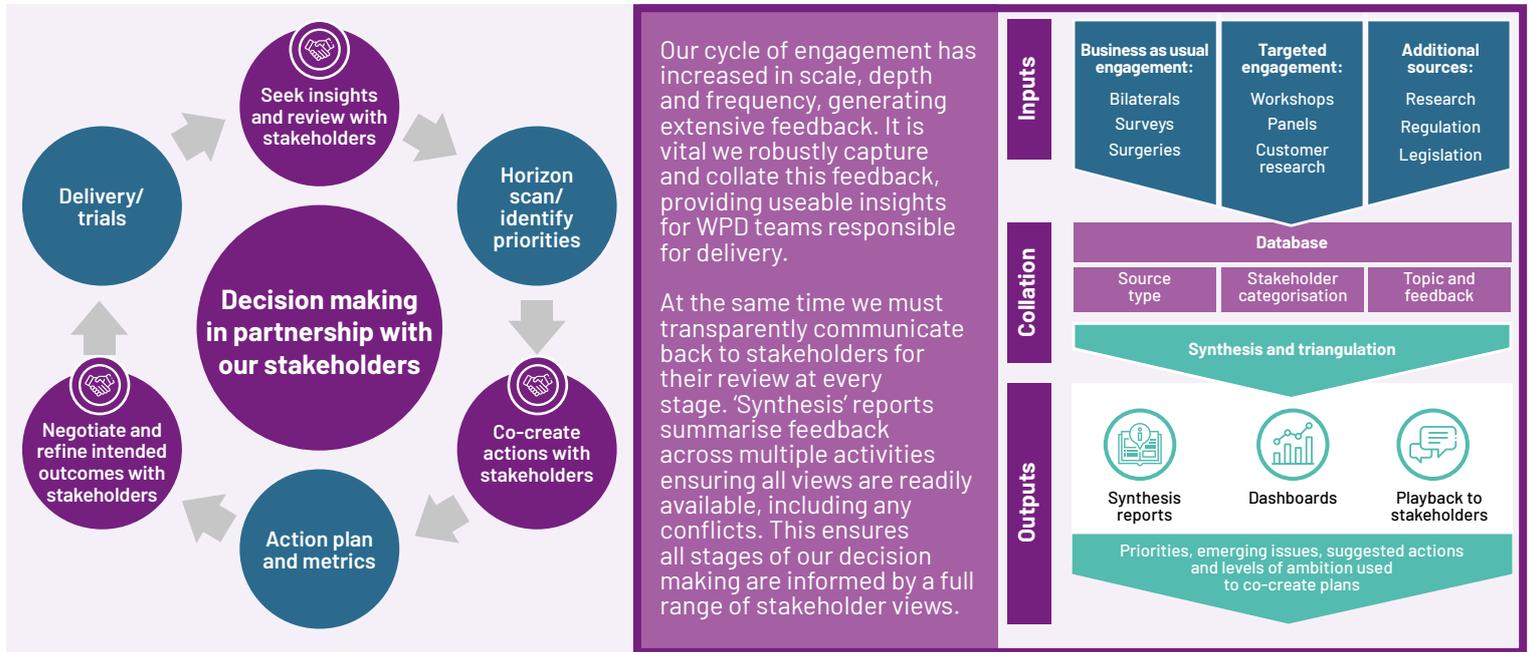
How we engage

Our engagement, underpinned by five key principles, is:

- **Inclusive:** of all stakeholders, including those who are harder to reach.
- **Transparent:** sharing all feedback and our resulting actions.
- **Proactive:** using a wide range of tailored methods.
- **Embedded:** led by those responsible for turning feedback into action.
- **Purposeful:** always leading to outcomes.

Partnering with stakeholders to shape our plans

In the last three years, there have been rapid changes to our operating context and, correspondingly, the expectations of our stakeholders. Our cycle of engagement, set out below, has expanded - and is now repeated multiple times each year rather than once annually. We never seek to 'manage' stakeholders, influence their decisions or garner support for pre-determined views; engagement must be genuine co-creation. We share decision making power with our stakeholders, partner with them to build actions and are agile to adapt to their insights. By continuously returning to stakeholders, we ensure their priorities are captured, enabling us to deliver meaningful, positive outcomes for customers:

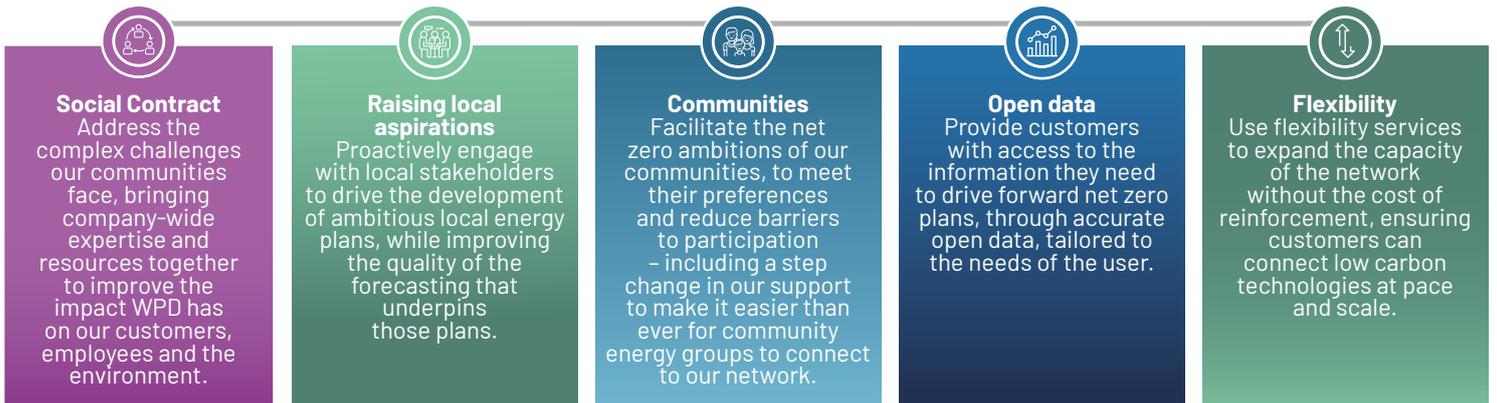


How we adapted in 2021/22 - delivering impactful outcomes as a result

Our core strategy has proven effective in the face of unexpected changes, as it is hugely adaptable and delivers quality engagement to quickly meet new and emerging needs. We review and update our strategy annually to ensure it remains up-to-date and inclusive. It is signed-off by WPD's Board and an annual tactical strategy and action plan is developed, outlining what we will engage on and the immediate stakeholder drivers. Our key objectives for 2021/22, identified with stakeholders, are set out below.

Core outcome 2021/22: active partnership with stakeholders and shared decision making drives better outcomes for customers

Key Objectives



Getting our stakeholders to net zero as quickly as possible - as soon as 2028.

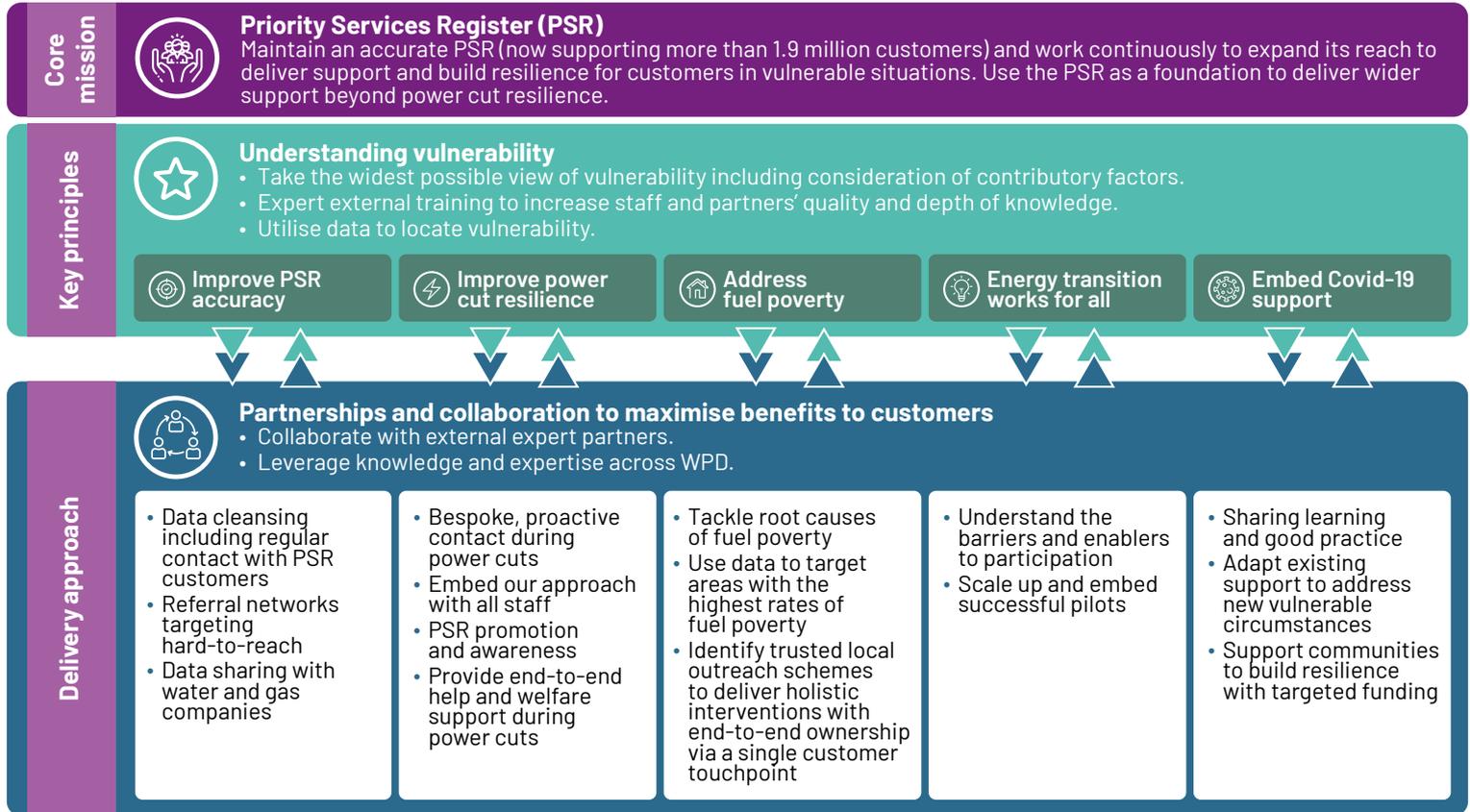
3. Customer vulnerability strategy

WPD's primary focus must always be on safeguarding our most vulnerable customers during power cuts and maintaining an accurate Priority Services Register (PSR). Each year, we engage extensively with stakeholders to update our well-established customer vulnerability strategy, ensuring we continue to effectively identify and support customers in vulnerable situations. The enduring nature of our strategy means it is understood by staff, with our multi-faceted approach increasingly embedded across the organisation.

WPD's core strategy: customer vulnerability

Maintaining and expanding our PSR is not only key to providing power cut support and resilience, it enables us to identify customers and offer wider interventions. Over many years, partnering with our stakeholders to determine key priorities has expanded the scope of this strategy, ensuring we maximise our position to bring together otherwise disparate services and provide joined up support to customers. Ongoing feedback loops - from customers, delivery partners, and WPD employees - help to continually enhance our understanding of vulnerability, drive improvements and identify entirely new, innovative approaches.

In 2021/22, stakeholders have led us to a sharp focus on the long term impacts of Covid-19, recognising the new context in which we are operating. This has now been embedded in our core strategy, outlined below:



Our Stakeholder Engagement and Social Obligations Manager coordinates our customer vulnerability programme, ensuring activities align with our core strategy to deliver the outcomes our stakeholders want. This undergoes a monthly review, with specific, stretching targets measured and reported to WPD's staff and Board. The delivery of our strategy is also subject to rigorous, external scrutiny every year (see section 7) to drive improvements and ensure our approach remains highly effective.

2021/22 updates - supporting customers in a dramatically different operating context

The adaptability of our strategy has enabled us to support customers effectively in a range of new contexts. In partnership with our stakeholders we identified new and emerging tactical priorities for 2021/22, and co-created plans to achieve the key objectives below.

Core outcome 2021/22: a flexible approach delivers tailored, meaningful support to customers in a radically different vulnerability landscape

Key Objectives



4. Commitment at senior level

Engagement with stakeholders is deeply embedded at WPD. It underpins everything we do, and drives us to be highly ambitious, delivering the outcomes our customers want and need. Ensuring engagement always leads to action is the responsibility of everyone at WPD; only through direct collaboration between stakeholders and WPD experts can we co-create stretching plans and continually improve our approach.

Empowering all staff with the confidence, knowledge and skills to engage is therefore integral, evidenced by the fact that over 150 WPD employees facilitated and participated in workshops this year. In 2022, the British Standards Institution assessor commented: **“What WPD do is clearly embedded – they listen to customers and staff and improve on the back of those conversations”.**

Leading by example

When it comes to engagement, WPD's Senior Leadership Team leads by example. They actively participate in our engagement programme to hear stakeholders' views first-hand, with Executive level involvement at all core events, including our Customer Panel, Connections Steering Group, Customer Engagement Group and stakeholder workshops. This enables them to better represent WPD and our stakeholders at industry level engagement. Their ongoing involvement gives cohesion and identity to our ambition to deliver industry-leading services for our customers.

This has been more crucial than ever as we dealt with the impacts of the worst storms in 30 years, handling two months' worth of incidents and customer contacts in two days. During this period, regular internal communications were delivered by our CEO and directors to

keep employees abreast of the changing circumstances and thank them for their continued efforts.

Our Resources and External Affairs Director is also WPD's Vulnerability Champion, providing clear direction to ensure local teams are well-prepared to provide tailored support for our most vulnerable customers during power cuts. Our 2022 storm response, including proactive contact to nearly 1.6 million PSR customers in advance, reflects the relentless focus of all WPD staff on delivering first class customer service.

Our approach has been enhanced this year by the publication of our Social Contract, launched at our bi-annual Senior Leadership Conference in May 2021. A DNO first, it demonstrates how we will continue to deliver on our company purpose – to provide exceptional service to customers

and support the environmental and social wellbeing of the communities we serve through our commitment to deliver: 'power for life, power for future generations'. A working group of senior WPD business owners, responsible for delivering the 36 commitments set out in the contract, meets quarterly to identify holistic actions that generate greater value for customers, employees and the environment.

Being an employer of choice is a key focus of our Social Contract, developing our future workforce and reflecting the diverse communities we serve. To achieve this, we have committed to achieve a gold accreditation with Investors in People by 2028, providing a framework to deliver improvements and measure our progress. Work is already underway, with all staff having the opportunity to share their views through surveys and focus groups.

Evidence of our culture



Carl Henshaw – Emergency Planning Officer

Everybody at WPD has a role to play in responding to major incidents on the network – but part of mine is working with key stakeholders to ensure we, and they, are fully prepared and able to mitigate the impact such events have on our customers. I represent WPD at 15 Local Resilience Forums (LRFs) and multi-agency groups, involving representatives from organisations such as blue light services, utilities, volunteering agencies, local authorities and the Environment Agency.

Through my role on this group, I understand first-hand the additional vulnerabilities a loss of power can cause, and feel fortunate to be empowered to act on real-time feedback to deliver the best possible outcomes for our customers. For example:

In 2020 when Covid-19 was at its peak, LRFs were working in full command and control mode with strategic and tactical meetings almost daily. We played a key role to find effective, collaborative solutions and were integral to the establishment of Nightingale Hospitals, vaccination centres and temporary mortuaries across our region, by providing secure connections, logistical support and service alterations at short notice.

Using these strengthened partnerships as a foundation, when the worst storm season in 30 years hit this year, these vital engagement platforms were adapted to assist the customers affected – using our shared learnings and experience to leverage robust plans and resilience strategies with speed to provide support in the most effective, joined-up way possible.

Throughout the storms, thousands of vulnerable customer records were securely shared ensuring partners understood the levels of support needed, and who was best placed to provide it. Putting feedback into action, WPD was able to fund the opening of local fire stations in Cornwall – one of the worst hit areas – repurposing them as welfare units for customers without power; and working with local authorities to publicise their availability.

At WPD, engagement, although adaptable at short notice, is long term and purposeful, and our culture encourages us to learn and seek improvements for customers. Following the storms, I am participating in de-brief sessions facilitated by the LRFs, giving all agencies the opportunity to share learning to help WPD and our partners identify best practice and future improvements.

WPD has also invited senior members of affected LRFs to visit our offices and control rooms to better understand how we operate.



Jo Mainstone – Diversity Champion

The resilience and diversity of WPD's workforce has become an increasingly important issue for our stakeholders, especially as we move closer to achieving our ambitions for net zero. We provide the infrastructure that will enable communities to meet their targets, and stakeholders are clear that we must embrace the opportunities and challenges this brings – including providing an inclusive work environment that enables customers to benefit from the diverse thinking required to create a network for the future.

Over the past 12 months, we have worked hard to act on what we have heard. I am extremely proud and privileged to have been appointed WPD's first 'Diversity Champion' – representing WPD at national best practice events, being an internal advocate for the implementation of central strategies (including our first Diversity, Equity and Inclusion (DE&I) plan), and promoting DE&I in different aspects of the work we do.

Working closely with our Senior Leadership Team, I have supported an increase in the scope and breadth of our partnership working, with employment opportunities at WPD now being promoted through: WiSE (Women in Science and Engineering), Change 100 (supporting graduates with disabilities), #10,000BlackInterns, Stonewall (supporting LGBTQ+ employees), Prince's Trust (supporting young people) and Career Transition Partnership (helping ex-service personnel find civilian employment).

Through our partnership with WiSE, WPD this year pledged its commitment to their 10 Steps programme – an action driven framework that helps organisations improve recruitment, retention and progression of women, and secured the delivery of diversity workshops for all WPD managers. Over the past three years, the proportion of women in our workforce has increased by 9.5%, resulting in much needed representation across our business.

Driven by feedback at our deliberative focus groups, we have also placed a key focus on levelling up vulnerable communities within our region; with our new traineeship offering employment and personal development opportunities to people who might otherwise struggle (see Part Two, 4.1).

DE&I is an ever-changing landscape and effective stakeholder engagement has been fundamental to our progress to date. WPD staff are encouraged to take ownership to create meaningful change and I am empowered to work directly with stakeholders to ensure WPD cultivates a motivated, resilient workforce that understands and represents the people we serve.

5. Tailored engagement and collaboration

Our innovative, tailored and effective engagement programme has continued to deliver benefits for customers. An extensive range of inclusive mechanisms, such as our hybrid events and deliberative focus groups, is continuing to evolve and reach a broader range of stakeholders. Key examples of the bespoke engagement methods used, and the outcomes they achieve, are detailed below.

	Level 1. Expert stakeholders 	Level 2. Interested stakeholders 	Level 3-4. Limited knowledge 
Example audience	<p>Customer Panel 28 members, quarterly meetings, new topic-specific surgeries plus sub-groups E.g. Vulnerable/fuel poor (Citizens Advice), utilities (Wessex Water), emergency resilience (Police), government (Welsh Government), customers (South West Business Council (new), B&Q)</p> <p>Customer Engagement Group 13 members plus Chair, 11 main meetings E.g. Vulnerable/fuel poor (Citizens Advice), Customer Service (Consumer Council for Water)</p>	<p>Flagship Stakeholder Roadshows 137 delegates attended workshops over four days E.g. Domestic/business customers, major energy users, local authorities, local energy partnerships (LEPs), charities, connections providers, community energy groups, developers, utilities, environmental groups, storage providers, energy aggregators</p> <p>Bespoke hybrid workshops Heat pump and connections workshops for 163 delegates E.g. Councillors, LEPs, developers, planners</p>	<p>Deliberative Focus Group: 96 members E.g. Business, domestic and future customers with little knowledge of WPD are retained over time to enable informed input from participants</p>
Tailored approach	<ul style="list-style-type: none"> Online events Topic-specific surgeries with member-led agendas allow essential consumer insights and co-creation of plans/actions Online platform for ongoing dialogue Member-only pre-meetings CEO/Directors attend 	<ul style="list-style-type: none"> Pre-reading and critical review of submitted WPD evidence Independent Chair and Secretariat set agenda and manage governance Critical Business Plan challenge 	<ul style="list-style-type: none"> 'Homework' tasks provided context to generate spontaneous insight on specific topics Online engagement allowed members to reflect and interact at their own pace
Example outcomes	<ul style="list-style-type: none"> New first DNO to publish Social Contract New Community Matters Fund developed at surgery sessions Review of strategies and action plans Member-written assurance report 	<ul style="list-style-type: none"> Nine bespoke sub-groups New "C8" sub-group formed to assist with delivery of CEG report on WPD's Business Plan 	<ul style="list-style-type: none"> New Heat Pump Strategy published with tailored guidance for different customer groups Further bilateral engagement with local authorities on net zero and local energy plans

Our stakeholders have been clear we should pursue new opportunities to collaborate wherever possible, within the energy sector and beyond. Shared learning brought about by successful collaboration drives efficiency, consistency and innovation - delivering significant outcomes for customers that might otherwise be unachievable. We are determined to lead in this area and will continue to seek collaborative partnerships where a positive impact for customers can be achieved, and always with total transparency. In the past twelve months this has included:

Key collaboration and best practice sharing undertaken in 2021/22

- Working with Northern Powergrid, Electricity North West, the Federation of Small Businesses (FSB), British Chambers of Commerce (BCC) and The Broadway Initiative to create a website bringing together tools, advice and support in a single place, to help small businesses reach net zero (Part Two, 6.2).
- In collaboration with four other utility companies we supported Rural England Network to produce a report with recommendations to further support rural customers in vulnerable situations (Part Three, 6.1).
- A series of data science challenges delivered with Energy Systems Catapult demonstrating the varied possibilities and value of energy data (Part Two, 7.1).



Engagement topics	Stakeholder types												
	'Smart' consultants/ service providers (new)	Small business representatives: FSB, BCC (new)	Telecomms	Community energy	National Grid	Suppliers	Water companies/Council	BEIS/UK regulators	Government/MPs	Local authorities, local energy partnerships (LEPs)	Resilience partners (e.g. hospitals, contractors)	DNOs/ENAs/GDNS	Customer Panel/CEG
Data and digitalisation	●	●		●				●	●	●		●	●
DSO/future networks/flexibility	●	●	●	●	●	●	●	●	●	●		●	●
Riio-ED2/Business Plan	●	●	●	●	●	●	●	●	●	●	●	●	●
Losses and innovation	●				●				●			●	●
Environment/LCTs/net zero	●	●		●	●	●	●	●	●	●		●	●
PSR services/approach/data sharing		●		●		●	●	●	●	●	●	●	●
Social Contract	●		●	●		●	●					●	●
Rural customers		●		●		●	●			●		●	●
Customer service			●	●		●	●	●	●	●	●	●	●
Fuel poverty/vulnerability	●		●	●		●	●	●	●	●	●	●	●
Emergency resilience (including Covid-19)			●	●		●	●	●	●	●	●	●	●
Connections and distributed generation	●			●	●	●	●	●	●	●	●	●	●
Community energy	●	●		●			●	●	●	●		●	●
Safety and health						●	●	●				●	●
Workforce resilience												●	●

6. Key outputs and outcomes

Stakeholders tell us engagement is only successful if it leads to tangible positive outcomes. We don't do talking shops - all our interactions with stakeholders must drive real change. As the scale and quality of our engagement improves year on year, it is important to reflect on the actions taken as a result and the impact these have had for our customers.

This ethos is demonstrated in the 384 positive outcomes we have delivered this year, investing £10.6 million (an increase of 56% on 2020/21). We have measured a significant social value return of over £19 million across 17 key initiatives (see section 9) which has also shaped our delivery and achievements.

WPD's total outputs split by the engagement method used to achieve them:



The table below provides highlights of the new, enhanced and embedded outcomes we have delivered over the past 12 months, including those undertaken in collaboration with others. A full outputs table is available at www.westernpower.co.uk/outputs.

Overall:

Examples:

Stakeholder groups and impact summary	Cost	Output (action)	Outcome (benefit)
Domestic, business, utilities/industry and parish councils Total cost: £1.4m Total outputs: 70 Breakdown: Including: 	-	✓ Customer Panel buddy system trialed across the business e.g. transport, employee relations	Customer Panel shared best practice and collaborated with WPD staff, driving ambitious plans and new ways to support communities
	£2k	→ Quarterly Customer Panel meetings held - 28 expert members include Energy Systems Catapult and Wessex Water	21 actions, e.g. Independent review of WPD's delivery and engagement provided thorough member-written assurance report and Community Matters Fund shaped by members
	-	→ New/refresher training provided increasing 'ramp-up' call takers during storms by 18% to 284	Ramp-up staff have confidence to provide expert guidance to customers during storms
	£24k	→ Social media presence: 31,938 tweets received, 44,811 Twitter followers, 25,704 Facebook followers, 25,949 LinkedIn followers and 3,879 Instagram followers	Allows customers to engage with us on their chosen platform. Total engagements across social media is 434,944. Total following 100,343
	£150k	<> 2,722,064 proactive contacts to customers during power cuts (2,193,041 texts & 529,023 calls - 976,927 to PSR customers). Mobile phone records held for 76% of customers to enable text updates	72% of all contact is now proactive, ensuring customers receive updates through their preferred communication method with minimal effort
	-	<> Deliberative enduring focus groups retained as part of core engagement (96 members)	Engaging the same members over time gives a stronger voice to future and bill-paying customers and generates invaluable insight into our long term challenges
	£3k	<> Live 24/7 web chat on every page	24/7 access to information for customers. 22,102 web chats. 93% satisfaction
Vulnerable, PSR, hard-to-reach and fuel poor Total cost: £4.0m Total outputs: 107 Breakdown: Including: 	£500k	✓ Community Matters Fund Phase 1 launched , providing targeted funding to 79 organisations	Enabled 29,000 people facing fuel poverty to save £2.1 million on their bills. Phase 2 now launched, focusing on mental health and social isolation
	£5k	✓ Rural Vulnerability Research Report produced in collaboration with other utilities, to understand the challenges facing rural communities	Allows us to understand the challenges facing rural communities. Action plan created containing 15 new actions for WPD including a best practice survey to learn from our field staff and rural-specific issues being considered at local network investment events
	-	→ Two-way data share trial in place with two water companies - 35,159 records received (in addition to 112,683 records sent to six water companies)	First DNO to implement two-way data sharing so customers benefit from being on water and electricity PSRs. PSR data now received from Severn Trent Water and Welsh Water
	£747k	→ Four 'Power Up' fuel poverty schemes adapted to support customers through a winter of price rises and supplier instability	10,062 customers supported to save £2,558,812
	£531k	→ Four 'Affordable Warmth' fuel poverty schemes	10,991 customers supported to save £9,701,040
	£1.56m	<> Proactively contacted 4,346,231 PSR customers (1,794,278 data cleanse team, 976,927 during power cuts, 1,575,026 ahead of February storms)	303,611 records updated, enabling more proactive and targeted support to PSR customers in power cuts
£34k	<> GP surgery 'Energy MOT' with specialist adviser provided for patients	344 customers supported with one-to-one energy advice and made savings of £423,380	

In the last year we engaged over
44,000
stakeholders

Via over
1,700
activities

Leading to
384
positive outputs for customers

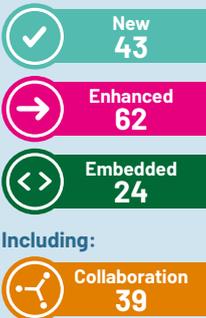
Stakeholder groups and impact summary

Smart networks, flexibility, connections, innovation, DSO, storage, EVs, community energy

Total cost: £4.5m

Total outputs: 129

Breakdown:



Emergency response, resilience & security

Total cost: £122k

Total outputs: 26

Breakdown:



Other: E.g. Education, Environment, Government and Staff

Total cost: £600k

Total outputs: 52

Breakdown:



Cost Output (action) Outcome (benefit)

-	✓ Domestic Low Carbon Technology connection process implemented	Allowed 18,829 customers to benefit from connections approval within 24-48 hours via our streamlined connections process
£48k	✓ Hybrid connections workshop held for 68 delegates	Sought feedback from stakeholders on our Connections Strategy, community energy, high volume connections of LCTs and EVs - 93% felt the format worked well
£80k	✓ Over 1,000 submissions to our data science challenges (delivered with Energy Systems Catapult) from participants in nine countries	Five technical papers accepted by recognised data science/energy bodies
£47k	➔ Zero Carbon Business portal helps SMEs and CE groups transition to a low carbon future (with NPG, the Federation of Small Businesses, HSBC and NatWest). 6,300 new users in six months from launch	Extensive user testing ensures the platform is effective and tailored to the needs of different sectors, enabling SMEs to decarbonise and reduce bills through energy efficiency
£1k	➔ Net Zero Communities Strategy co-created with community energy groups	Detailing progress made since our last strategy was published and setting out 17 new commitments, the strategy includes new guidance and case studies, alongside a 'Jargon Buster' and 'A beginner's guide to the electricity network'
-	➔ 666 datasets added to our Connected Data Portal (which now contains 707 datasets)	Giving customers greater access and granularity of data, empowering them to make optimised investment decisions. Data now accessed once every 22 seconds
-	➔ Flexibility offerings developed to provide whole system solutions to enable services to be 'stacked' across transmission and distribution systems	Increased flexibility operations by 253.6MW, with total contracted flexibility now at 709MW, covering 27% of our primary substations across 62 constraint areas
-	◀▶ 45,685 Electric Vehicle (EV) charge points connected to date without reinforcement (a 107% increase this year)	Enabling customers to meet their net zero ambitions - connecting their EV chargers at a time and place that suits them
-	✓ Proactively contacted PSR customers ahead of the February storms	Provided advice, contact details and signposted available support for 1.6 million PSR customers, ensuring they were prepared for the storms
-	✓ Planned interruption notice process includes new website, videos and texts for customers	Additional notice for customers reduces frustration and confusion prior to an outage (140,130 hits to the planned interruption website)
-	➔ Seven formal agreements in place with Local Resilience Forums (LRF) and attendance at all meetings	200 meetings with more than 1,500 stakeholders at LRFs and resilience meetings. Maintained enhanced emergency response preparedness and customer support processes
£44k	◀▶ British Red Cross welfare support for planned and unplanned interruptions	21 deployments in 2021/22 assisted 205 vulnerable customers (including 154 customers supported during storms Eunice and Franklin in February 2022)
£22k	◀▶ 950 power cut crisis packs distributed	Free, practical items issued to vulnerable customers to increase power cut resilience distributed via field staff and partners
-	◀▶ Twelve Fire and Rescue Service (FRS) partnerships promote PSR and resilience advice	Two-way referral process supports vulnerable customers. WPD receives PSR referrals from FRS teams and 4,650 PSR customers referred by WPD received a free home fire safety check
-	✓ Traineeship launched , offering employment in vulnerable communities	Allows those facing barriers to employment to access personal development opportunities, support with writing skills and safeguarding training
£33k	✓ Series of four behavioural safety videos delivered to all 6,600 staff using safety screens and company mobile devices	Following a request from conference attendees, videos enabled wider reach of key hard-hitting important safety messages
-	✓ Solar panels in schools pilot launched including a biodiversity improvement trial	Allows schools to benefit from lower energy consumption and bills while students benefit from hands-on learning activities
£56k	➔ School education programme engaged 50,665 school children, including a virtual streaming show. Topics included energy efficiency, smart networks and PSR	Allowed us to share messages with school children including a series of short videos and a new safety game 'Hazard Heroes'. 9,062 visits to the web pages since the launch of the new Power Discovery Zone in September 2021
£2k	➔ Mental Health Champion training refreshed	Allows managers to know what signs to look out for in their teams and act as Mental Health first aiders/champions in the business
£199k	◀▶ 128 charitable and non-charitable organisations helped	Including projects to plant wildflowers and low growing plants to improve biodiversity in our region

7. Audit and accreditation

While our approach to co-creation and seeking continual input from stakeholders in our decision making gives us confidence we are delivering excellent outcomes, external review and accreditation plays a vital role to ensure we deliver the quality and efficacy we are striving for. Beyond providing important validation, accreditations such as the Customer Service Excellence (CSE) Standard and the British Standards Institution (BSI) Standard for Inclusive Service Provision (BS18477) provide comprehensive independent scrutiny and perspective to identify ways to further enhance our positive impact for customers. It gives stakeholders assurance we are credible, responsible and compliant with best practice standards in the UK.

CSE Standard

A stringent, annual two-day audit that covers five criteria. Each element is assessed and awarded one of four ratings: **'Compliance Plus'** (UK-wide best practice); **'Compliance'**; **'Partial Compliance'**; or, **'Non- Compliance'**. The assessor reviews more than 100 items of evidence, including:

- WPD's stakeholder and vulnerability strategies, Social Contract, policies and improvement plans.
- Extensive tailored stakeholder engagement, including with hard-to-reach customers, e.g. deliberative research with future customers and bill payers, enabling them to understand and feedback on our plans (see Part Two, 4.2).
- Published information in leaflets, online and on social media.

The assessor listens to live customer calls and holds closed interviews with senior managers, front-line staff, fuel poverty partners and Customer Panel members.



Top UK performer (out of 600 companies)



No non or partial compliance ratings



46/57 'Compliance Plus' Ratings

In 2021/22 our CSE assessor said:

"WPD is notable for having been continuously accredited to the CSE Standard since its inception in 1992, which is an outstanding achievement, reflected in the impressive total of 46 Compliance Plus elements. Stakeholder engagement is very strongly embedded. You have improved your service and developed appropriate action plans as a result of the understanding you have gained about your customers' needs."

BSI Standard

An annual three day audit that includes interviews with call handlers, senior managers and external stakeholders as well as a thorough review of:

- Collaboration and best practice achieved through partnership working, e.g. Power Up and Affordable Warmth fuel poverty schemes which delivered £14.6 million savings for 25,928 customers in 2021/22 (see Part Three, 7.1).
- Engagement that drives our improvements (see Part Two)
- More than 50 pieces of evidence such as policies, processes and service standards.
- How we train our staff to meet specific vulnerability needs, e.g. epilepsy training for Contact Centre staff (see Part Three, 4.1).
- The accessibility of our online resources and customer services, e.g. WPD holds the Louder the Words Charter from the Royal National Institute for Deaf People (RNID) for levels of service and accessibility for customers and employees who are deaf or hard of hearing.
- Published leaflets, web pages and social media, e.g. our website is accredited by AbilityNet, a digital accessibility expert. Multiple rounds of user testing by individuals with additional accessibility needs ensures we provide the best customer experience.



9 years of full compliance with BS18477



First company in the UK to achieve this

In 2021/22 our BSI assessor said:

"WPD continues to improve its understanding of vulnerability and keep abreast of new areas of vulnerability e.g. digital exclusion, lack of access to smart energy, to ensure these areas form part of their delivery strategy. It was clear WPD go above and beyond the regulatory requirements, tailoring their service, making them even more accessible and inclusive."

8. Recalibrating our approach

Engagement must always lead to action and stakeholder feedback underpins the various projects we undertake annually. When seeking to continually innovate, inevitably some projects do not always deliver as intended. Far from writing these off as failings, we return to stakeholders to identify lessons we can learn and re-confirm the target outcomes, before collaboratively developing an updated approach. Examples from the past 12 months include:

Initial action	Learning and next steps
We engaged with the 130 local authorities (LAs) in our region, generating a range of responses and 'bottom up' data to inform our distribution future energy scenarios (DFES) forecasting.	While this engagement generated vital insights for our DFES forecasting, huge variation in LAs' ambitions, delivery capabilities and understanding led to inconsistency in the depth and quality of feedback. We therefore made a number of changes to enhance our approach (see Part Two, 5.1), including: giving local WPD Distribution Managers end-to-end ownership of DFES forecasts for the LAs they engage with; offering LAs the opportunity to self-select their 'best fit' scenario to ratify WPD's scoring methodology; and, implementing bespoke training for Distribution Managers to standardise approaches. This has resulted in more consistent feedback and driven more ambitious plans.
Working with Plymouth Energy Community (PEC), we planned to engage 100 fuel poor customers in off gas grid areas to understand their household circumstances and identify potential impacts of the net zero transition.	The impact of Covid-19 restrictions and illness significantly impacted PEC's capacity to engage with households and made our original proposal unsuitable. Instead of household surveys, we focused our efforts on building our understanding of the potential journey to net zero for fuel poor customers in Plymouth. Desktop research identified six 'personas' of those experiencing fuel poverty and 12 'archetypes' of local housing stock. Combining these analyses will provide optimum pathways to net zero for a full range of local fuel poor customers, generating low-disruption actions that can be taken within current funding schemes. As a result, we have moved far beyond just understanding the potential impacts of the net zero transition, by identifying practical, tailored solutions to help different customers participate and improving our direct engagement with households.

9. Delivering maximum social value

Our priority is to always provide services our customers highly value. Although WPD's charges are low (less than 28p a day) the value customers place on the initiatives we deliver often outstrips their delivery cost. Our social value research, now in its sixth year, enables us to shape, prioritise and target our initiatives and expenditure. As a result, in 2020/21 we have delivered significant social value as set out below.

Why we measure value

Social responsibility and ensuring we deliver value for our customers and wider society is vital. Due to the nature of our initiatives, it is also essential we consider a broader definition of 'value', going beyond traditional cost-benefit analyses to consider wider benefits to society and the environment. To address this, we have been measuring the social value of our initiatives during RII0-ED1, evolving and improving our approach each year to obtain more robust and representative values. Doing so ensures our decision making includes a consideration and understanding of the value we expect to deliver and the range of outcomes we will measure, to assure stakeholders we are achieving the maximum social good.

Building a consistent DNO framework

In 2020, we helped lead the development of a framework to measure social value. This laid the foundation for RII0-ED2, by providing consistency across all DNOs. As a result of our input, the framework combines social value proxies, social return on investment (SROI) studies and bespoke social value research. Used alongside our Willingness-to-Pay research and qualitative stakeholder feedback, it provides a comprehensive view of the value our activities have delivered for customers.

WPD's approach

We have enhanced our social value calculations by including proxy values not currently available as part of the DNO Proxy Bank, allowing us to expand this methodology across a broader range of activities. We never determine the social value of a new initiative by selecting the highest possible value. Rather, we always aim to use evidence that our partners have

gathered directly from customers to calculate the direct benefits delivered. If this is not available, we opt to use relevant proxies which have been validated by the DNO framework or through our own testing. Finally, if the existing proxies are inappropriate, we commission bespoke value research from trusted experts. This hierarchy ensures we make every effort to use the most robust and accurate values.

Range of benefits measured

We measure value before, during and after our interventions, allowing us to forecast, prioritise, monitor and adapt our initiatives. We focus on actual financial savings for customers first, then include additional benefits such as improved health, reduced carbon emissions, or quality of life improvements due to a warmer home. We had 17 initiatives independently assessed using the Social Value Framework, allowing us to compare and evaluate the effectiveness for every pound invested. We commissioned Sia Partners (the creators of the framework) to identify the inputs (costs), outputs (activities delivered) and outcomes (change that occurred as a result) and then find financial proxies to indicate the value they represent.

Guiding our decisions

We use SROI to evaluate initiatives before we deliver them, helping us to prioritise and informing our decision making process. However, it is not the only indicator we use; engineering justifications and customer and stakeholder feedback are also key factors in the final decision. This means that sometimes we deliver an initiative even if the SROI is forecasted to be negative – either due to significant customer support or because we know the project will provide benefits that are not

currently quantifiable using our framework. SROI is therefore a key tool in providing and communicating the transparency our stakeholders want and expect in the decisions we make. One example of this is our new traineeship, which we set out in further detail in Part Two.

Case study

This year we developed a joint project with Hope4U and Walsall NHS maternity unit to identify families in vulnerable circumstances. Through frontline teams, we referred individuals to Hope4U who provided advice and support, including supporting expectant/new parents with: budgeting; benefit checks; income maximisation; utility bill savings; grant options; and signing up to our Priority Services Register.

To measure the social value of this initiative, we started with the financial benefits recorded by Hope4U (c. £1,462 per customer) before calculating the health benefits achieved as a result of having a warmer home.

To value the benefits, we considered the avoided costs of using the NHS to treat conditions related to fuel poverty.

After identifying the total benefits, we determined their value over costs: the SROI. This figure shows how many £s of benefit we delivered for every pound spent.

During 2021/22, the initiatives measured in this submission delivered over £19 million of value in net benefit for our customers, society and the environment (i.e. after removing costs). This represents an SROI of £1.88 in Part Two and £6.08 in Part Three on top of every £1 invested, clearly indicating our effectiveness at delivering significant value for customers.

It is important to note that not all of our efforts have been measured using SROI; some initiatives act as enablers to improve the outcomes of more direct services. Rather than attempting to value these activities in isolation via proxies, we have demonstrated how they support the delivery of larger, quantifiable customer benefits. For example, our efforts to increase PSR referral partnerships has contributed to the overall PSR benefits received by customers.

Below is a summary of the SROI and benefits delivered in each part of our submission:

Part	Cost	Direct financial benefits for customers	Societal and environmental benefits	Efficiency savings - leading to customer bill savings	SROI
Two	£1,009,292	£49,221	£47,788	£2,811,305	£1.88
Three	£2,877,652	£16,892,462	£2,782,561	£705,537	£6.08

10. Measuring the impact of our engagement

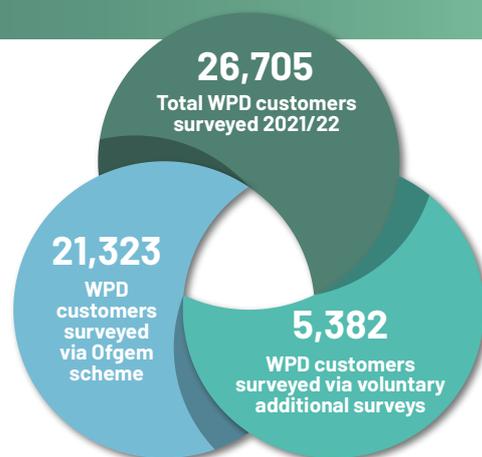
The extensive work detailed across the three parts of this submission demonstrates how vital stakeholder engagement is to our business. Collaboration with stakeholders enables us to continuously identify and deliver improvements as well as develop entirely new services that provide valuable outcomes for our customers.

In addition to mandated industry customer satisfaction surveys, we seek frank and independent feedback from stakeholders through our own voluntary, bespoke surveys.

Commissioning additional research ensures we capture the widest possible range of views, and we seek feedback on the broadest range of services impacting our customers. It also provides assurance that our actions are delivering the positive outcomes our customers want and need.

Feedback contributed to enhancements in our engagement approach this year including: innovative deliberative focus groups with future and bill-paying customers (Part Two, 4.2); new, hybrid workshops, allowing simultaneous online and in-person engagement (see Part Two, 4.2); and a new 'buddy' system, enabling WPD and Customer Panel members to share expertise and best practice (see Part Two, 4.1).

An overview of our current customer satisfaction levels can be found below:



Satisfaction survey	Reach	Examples of actions these surveys measure the impact of	Overall satisfaction (out of 10)	
			2020/21	2021/22
Overall customer satisfaction				9.18 9.03
- Power cuts	21,323	All outputs (see section 6)		9.15 9.01
- Connections		Service improvements (e.g. Part Three, 4.1 - 4.4)		9.07 8.95
- General enquiries		New/refresher training provided increasing 'ramp up' staff to support call takers during storms by 18% to 284 (Part Three, 4.1)		9.44 9.25
Bi-annual workshops	196	Surveys following workshops cover overall satisfaction, information coverage and the standard of facilitation/presentations		8.08 8.86
Local network investment events	129	Surveys following events hosted by local Distribution Managers with questions covering all aspects of the event		9.60 9.60
Vulnerable/PSR customers	1,300	Monthly survey of PSR customers contacted proactively by WPD to update their details and offer power cut advice		9.45 9.30
- Power Up fuel poverty schemes		In a winter of price rises and supplier instability: - Four Affordable Warmth schemes supported 10,991 customers to save £9.7 million - Four Power Up schemes supported 10,062 customers to save £2.6 million - Power Up Smart supported 2,481 customers to save £864k (Part Three, 7.1) - Power Up Health supported 837 customers to save £304k (Part Three, 7.2)		8.42 8.31
- Affordable Warmth fuel poverty schemes				8.66 8.30
Major connections	1,766	Large connections customers who had a quotation or completed works, but are not covered by Ofgem's surveys		8.72 8.60
Connections workshop	68	Surveys following our hybrid workshop. Questions cover all aspects of the event		9.20 10.00
Distributed Generation (DG)	384	DG connections customers who had a quotation or completed works, but are not covered by Ofgem's surveys		8.81 8.59
- DG Owner Forum		Questions cover all aspects of the forum		9.20 9.20
Consumer vulnerability workshop	21	Surveys for expert partners and interested organisations at the annual event. Questions cover all aspects of the event		9.40 9.00
Heat pump workshop (new)	95	2021 Heat Pump Strategy published, helping customers connect heat pumps at a time and place of their choice (Part Two, 6.1)		New for 2021/22: 8.52
Social media - Web chats	1,309	Customers surveyed following a web chat interaction		9.41 9.30

Community Energy Engineer Faithful Chanda discussing our Net Zero Communities Strategy at a hybrid connections workshop



view and update the existing Net Zero Communities Strategy and provide feedback to stakeholders on what's been delivered by December 2021.

work with Regen to define the role of a community energy engineer and provide regular sector support for this role. In ED2, we will appoint dedicated Community Energy engineers.

design and deliver a series of Net Zero Forums for new entrants, community stakeholders, SMEs and local authorities.

produce a You Tube series of short videos, asking experts to provide signposting to existing guides on connections, local authority at pumps, PSR etc.

review Net Zero Communities Strategy, which incorporates new initiatives.



WESTERN POWER 
DISTRIBUTION

Serving the Midlands, South West and Wales