

## Appendix 05.02 – Detail of our 6 phases of engagement

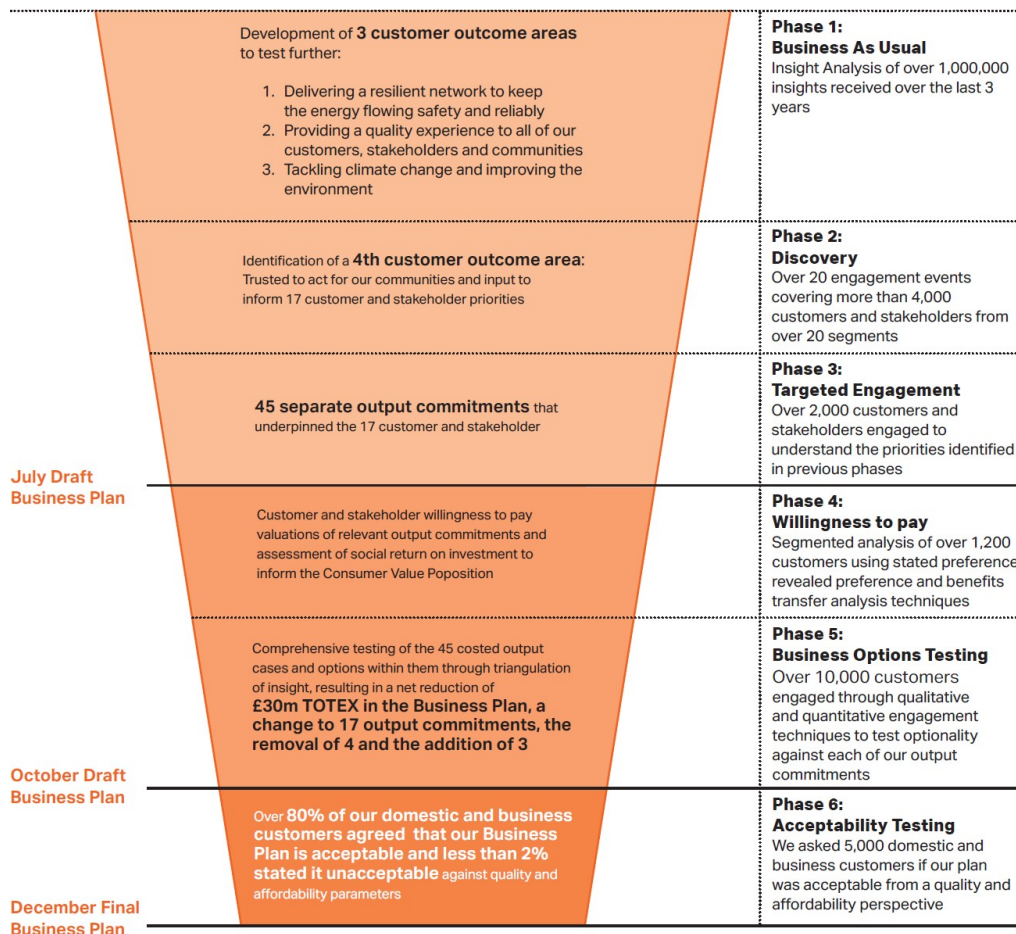


# 1. Introduction

Our Enhanced Engagement process was based on 6 phases of engagement that were completed in November 2019. To get a full picture of our engagement process, it is important to read Appendix 05.03 – Our Decision Making Tracker in conjunction with this document. It is a comprehensive spreadsheet, listing all of the engagement activities that we completed within each phase, how we engaged, who we engaged with, what questions we asked and the insights that we received.

# 2. Our Process

We followed 6 discrete phases of engagement to ultimately determine the output commitments that we have made in our Plan. The diagram below summarises this and shows how each phase directly fed the next. In this way we continually refined and evolved our understanding of customers' and stakeholders' preferences. This had two major benefits. Firstly, it meant that we were able to use a variety of quantitative and qualitative techniques to engage ultimately at a very detailed level with different groups and stakeholder segments. Secondly, this iterative approach led to far less conflict between the insights that received as these were understood and reflected on during each phase of engagement.



## Phase 1 – Business As Usual (‘BAU’) Insights

The first phase of the enhanced engagement process was to gather insight from ongoing operational activities. This insight is particularly valuable because it relates to customers and stakeholders who typically have direct experience of dealing with us.

In 2018 we established our Customer Insights team in our Customer Centre. This team oversees much of the BAU insights that we receive on a daily basis and analyses this data to identify opportunities to improve customer service and the overall customer experience. Towards the end of 2018 we established Cadent’s Insights Forum, chaired by the Director of Customer Strategy. This Forum brings together BAU insights, insights received through the RIIO-2 enhanced engagement programme and other insights received through Cadent’s regional stakeholder management team. Each part of the organisation where customer or stakeholder insights originate from are represented at the meeting and its purpose is to triangulate the various data points and prioritise an action plan to improve customer experiences now, rather than just build improvements into the RIIO-2 business plan. Over 20 demonstrable improvement actions have already been implemented as a result of this approach.

For the purpose of our RIIO-2 engagement approach, we drew on customer interactions with our field engineers, our call centre, our complaints and enquiries teams and our real time ‘rant and rave’ SMS text-messaging feedback process. We combined this with input from our Stakeholder Advisory Panel, various service or geographically specific stakeholder forums, insights from social media and insights which came from our External Affairs team. We also considered the insight produced by Ofgem’s customer satisfaction process (‘CSAT’).

We used operational data from the last three years (from April 16 to March 19). In total, our BAU Insights included over one million customer and stakeholder data points. Our BAU Insights helped us to develop more targeted engagement activities in later phases and provided very clear insight themes that we later built on:

- The importance of good communications prior to and during our works.
- The importance of timely and quality reinstatement – this is the single most common cause of complaints and low scores in our customer satisfaction results.
- Minimising the disruption that the timing and length of our work can cause (both to supply and more generally) for all customer types and services we offer.
- A lack of understanding of Cadent, the services it offers and our role in the overall industry – often leading to uncertainty over our services and dissatisfaction when we only partially resolve their issues (e.g. we make them safe, but cannot restore their gas supply due to licence or other restrictions).

## Phase 2 – Exploratory Phase

This phase was undertaken using the BAU Insights to build a rounded picture of the needs and expectations of our customers and stakeholders. Over six months, we spoke to over 4,000 customers and stakeholders through more than 50 separate engagement events, spanning locations right across the communities we serve.

For each engagement, there was a clear plan and rationale for doing the engagement. We mapped each engagement event to its purpose, reach, aims and the agenda and methods used. We also reflected on the success of each event after it had been run.

We recognised that many of our customers and other stakeholders did not understand what a GDN does, nor were they familiar with our brand. We therefore started with the basics to build knowledge and understanding for our customers and stakeholders. This was important to allow them to make informed decisions on options and preferences resulting in a co-created business plan.

We introduced customer deliberative workshops across all of our networks. We did this to obtain a diverse range of customer views to help us to understand what was important to them and the outcomes they want from a gas network. We also wanted to find out the best way of engaging with them and the topics they would most like to discuss in the future, shaping our engagement approach.



The workshops were designed into two distinct sections:

- The first section was focused on information-giving and building participants' knowledge of Cadent. We did this through interactive activities.
- The second section was centred around eliciting participants' views on Cadent's services and priorities.

We sought to use engaging ways of bringing to life the impact and breadth of our services. Participants got to build gas pipework, fill in holes, wear hard hats and high visibility jackets. They role played phoning in a gas escape. They learned about CO poisoning, making hydrogen and understanding the impacts of decarbonising the network for future generations. They built a puzzle of a customer journey focused on applications to have gas connected, moved or removed from their home or business. We worked through case studies to bring to life different customer personas and discuss what different services they may need.

A key objective of this early phase of engagement was to build lasting relationships with customers. We sought to expand their knowledge, allowing us to move into deeper more complex conversations. We also conducted interviews with customers in vulnerable situations and held 'hard to reach' forums targeting (amongst others) customers with English as a second language, future generations and off gas grid customers.

This helped us to define the engagement we needed to undertake going forward. It allowed us to understand knowledge gaps, methods and themes of engagement needs that required further exploration and discovery.

Building on the success of the workshops we introduced Customer Forums to enable us to gain a deeper insight into what our customers thought we should provide. Customers that attended the deliberative workshops were approached to become members of these forums. We introduced a broad range of topics such as safe guarding services, fuel poverty, cyber resilience, expectations of innovation and our role in decarbonisation. We ran evening and weekend forums to capture a more diverse range of customers ensuring these were both inclusive and accessible.

Where it made sense to do so, we engaged with customers and stakeholders on the following four themes, which built on the key areas identified through the BAU insights and also linked in closely with Ofgem's initial consultation document:

- Keeping your energy flowing safely, reliably and hassle free
- Value for money and customer satisfaction at the heart of all our services
- Working for you and your community, safeguarding those who need it most.
- Protecting the environment and creating a sustainable energy future.

All four themes received high levels of support across engagement. This included both the relative weight they place on different draft outcomes, and whether we had missed anything from the list of outcomes we propose. Safety and reliability were consistently the highest priorities.

### **The importance of trust and evolving our outcomes**

During deliberative customer workshops, when we asked customers what was missing from our list of outcomes, they focused on communicating Cadent's services and general brand awareness. They felt this could be done within each of the four outcomes or perhaps adding as a separate, fifth outcome. Participants often talked about the importance of transparency and accountability, which suggests brand awareness is only part of what customers expect. They noted frequently, for example, that if part of their bill goes towards Cadent, they should be informed of that. They also raised 'know your customer better' and 'collaborating across the industry', as potential new outcomes.

Some similar comments were raised in phase 1 stakeholder interviews, with stakeholders suggesting new outcomes relating to corporate social responsibility and responsiveness to change. In our domestic customer survey, more than half of respondents (67%) responded that an affordable, transparent and fair bill is very important to them. 25% responded that this topic is quite important to them and 7% are neutral. Only 1% and 0% of respondents see this topic as either not very important or not at all important. In our public survey, participants commented that they see saving money on household bills as crucial and highlighted the importance of having transparent bills.

This feedback enabled us to shape the original themes into customer outcomes that directly represented the feedback we received through this stage of engagement. The original four themes were reworded and

restructured into three new outcomes and we added a fourth outcome, trusted to act for our communities, which includes elements such as transparency, corporate social responsibility and fairness.

The four outcome areas that we identified and have continued to engage on are:

1. Delivering a resilient network to keep the energy flowing safely and reliably
2. Providing a quality experience to all of our customers, stakeholders and communities
3. Improving the environment and tackling climate change
4. Trusted to act for our communities

## Phase 3 – Targeted Engagement

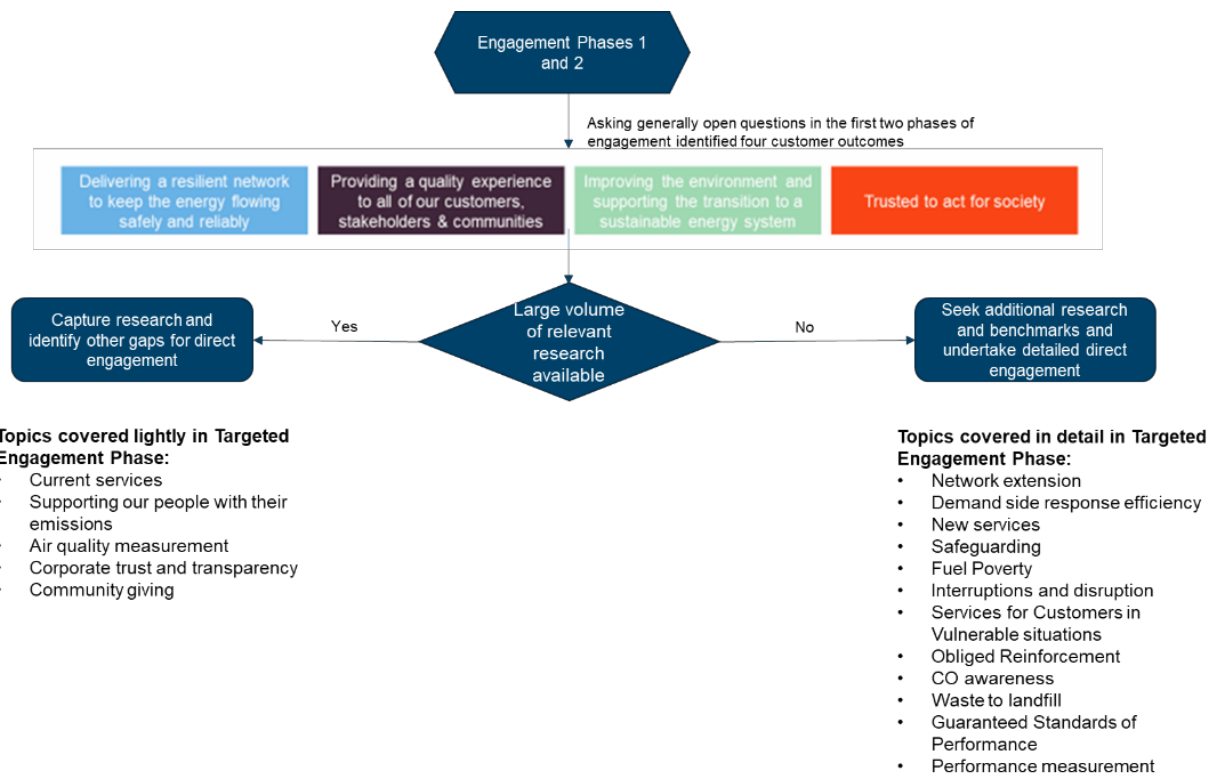
Whilst the first two phases of the enhanced engagement process were focussed on building a broad understanding of our customers and stakeholders, the next two phases were designed to ask increasingly targeted questions to specific customer and stakeholder groups in order to refine and build on our understanding of the customer outcomes identified in the first two phases.

We worked with Traverse to develop the targeted engagement plan, which covered over 1,400 customers and stakeholders. We refined the methods of engagement that we used throughout the process, continually improving our approach in the light of experience.

This phase specifically covered the following customer and stakeholder groups to glean more targeted insights in relation to the four identified outcome areas (please note that this list is not exhaustive):

- Politicians and Local Authorities from our four networks (separately)
- Environmental experts including Green Peace and Green Alliance
- MOBs customers
- Fuel poor customers
- Industry bodies
- Low energy efficiency households
- Renewable industry players, shippers, Independent Gas Transporters
- Industrial customers
- Small, medium and large-scale businesses in our operational footprint
- End consumers
- Future generation customers
- Non-gas users
- Cadent employees
- Safeguarding and affordability charities and professionals
- Customers in vulnerable situations
- GMB and Unison Trade Unions (in particular around workforce resilience)
- Hard to reach, seldom heard customers
- Local Enterprise Partnerships

It was important to define the key topics to be covered during this phase. Whilst the themes to engage on were identified through the previous two phases, not all of these themes required the same level of targeted engagement – for example where there was a large quantity of relevant academic research. The key topics covered in this phase are summarised in the diagram below:



## Phase 4 – Willingness To Pay

This phase was completed in parallel with the targeted engagement phase. We worked with NERA Economic Consulting to develop our approach and deliver our plan. In total over 20 engagements were completed, including nearly 4,000 customers and stakeholders using eight different methods. We received valuable insight from our willingness to pay work. From our Stated Preference work, we went out and spoke to thousands of our customers and businesses regarding a whole array of attributes. It was clear to see that our customers placed a value on these attributes:

- Providing welfare services during interruptions.
- Measures to address fuel poverty.
- Additional households' connections in fuel poverty to the network per year.
- Reducing the length of time it takes to carry out work.
- Reduce the likelihood of short unplanned interruption to supply.
- Decreasing the hours of short unplanned interruptions.
- Reduce the likelihood of long unplanned interruption to supply.
- Offering customers time slots for restoring gas supply.
- Increase of proportion of gas that comes from green sources.
- Additional cleared up disused sites.

Our willingness to pay research spanned three core techniques (summarised in the diagram below) which we then synthesised to draw an overall set of insights:

<b>Stated Preference</b>	<ul style="list-style-type: none"> <li>Survey-based experiments where customers choose between packages of service and associated bill levels</li> <li>Work best with attributes customers are familiar with so we used simple units such as time and pounds on the bill in exercises</li> </ul>
<b>Revealed Preference</b>	<ul style="list-style-type: none"> <li>Values non-market goods based on actual market data for related market goods</li> <li>Relies on objective information but can understate customer benefits (i.e. inconvenience)</li> </ul>
<b>Benefits Transfer</b>	<ul style="list-style-type: none"> <li>Adapts results from existing studies</li> <li>Credible and tested when sources are well-established, as they were in the areas we used this technique</li> <li>Particularly useful as a sense-check of original valuation research</li> </ul>

We believe that by using these three techniques in conjunction with one another, we gained more robust insight than we would have obtained from any single approach used in isolation. For example, as the results were triangulated, we were able to account for the potential understating of customer benefits identified through revealed preference. It is our understanding that our willingness to pay approach is the first across the industry to include these three methods and our plan is further justified in terms of meeting the needs and requirements of customers as a result.

The outcome of this and the targeted engagement plan has allowed us to identify customer themes under each of the outcome areas that were developed at the end of phase 2 (Exploratory Phase). These are summarised below and each theme is broken into specific commitments in Chapter 7, Our Commitments.

	Delivering a resilient network to keep the energy flowing safely and reliably	Providing a quality experience to all of our customers, stakeholders & communities	Tackling climate change and improving the environment	Trusted to act for our communities
<b>Outcome</b>	Managing network asset risk for now and the future - Mains replacement - Asset health risk - Emergency service	Setting standards that all of our customers and stakeholders love	Decarbonising our business operations	Building trust through every action
<b>Priorities</b>	Cyber resilience	Keeping the energy flowing	Reducing our wider environmental impact	Making a positive difference for our communities
	Physical security	Minimising the disruption from our works	Facilitating the low emissions energy systems transition: - Green Gas - Hydrogen - Peaking and Storage - Decommissioning	Sustainable engagement to drive better customer outcomes
	Workforce planning	Supporting customers in vulnerable situations - Identifying needs - CO awareness - Fuel poverty - Going beyond		Creating an environment for our employees to thrive and be proud of the service we deliver
	Data strategy			Transparency in how we operate

## Phases 5 – Business Options Testing

Our Business Options Testing phase took place throughout July and August 2019. During this phase we shared our ideas on commitments based on what we had heard through the previous four phases of engagement. We tested these commitments in a variety of ways to ensure we had both quantitative and qualitative responses across a broad segmentation of customers and stakeholders.

We tested the output measures that we proposed in our July business plan submission and sought feedback where options existed. Alongside our customer testing, we targeted specific groups such as hard to reach, seldom heard, future generations, those in fuel poverty and small, medium and large organisations.

We also engaged with stakeholders who our work impacts or involves and organisations with a level of expertise in an area that we were engaging in. For example, we tested our environmental commitments with Green Peace and Green Alliance and customer experience commitments with Citizens' Advice.

In testing options, we were very clear on the ultimate bill impacts to ensure our customers and stakeholders were fully informed before making choices.

**Segmentation was critical to ensure a representative conclusion was reached**

We didn't test every commitment with every segment as we know that not all will be relevant to everyone. Prior to embarking on the engagement workshops, surveys and other methods used, we held numerous workshops including Cadent staff and our expert engagement delivery partners to scope out the activities, materials and who we needed to engage with. This brought together our own expertise over our customer base and the details of the commitments to test with the research expertise of our partner organisations. This was where we were able to develop a programme of work with excellent coverage of each of the customer and stakeholder segments when testing specific commitments.

We ensured that we consulted on all the commitments. Throughout our enhanced engagement programme we maintained a library of insights and feedback received, be those through business as usual operations, benchmark work completed, the review of academic studies completed by others or directly through our RIIO-2 engagement activities. Prior to this phase of engagement, we asked Sia Partners to undertake an exercise to assess the quality and robustness of the engagement activities undertaken to date to highlight any gaps where additional focus would be required in the business options phase. The Sia Partners assessment was completed against the following categories:

<b>Research &amp; legislation</b>	Studies and research, either by 3 <sup>rd</sup> parties or commissioned by Cadent, as well as UK legislation and acts	<b>Engagement coverage</b>	The various customer and stakeholder groups that were engaged, as well as regional coverage
<b>BAU &amp; historical information</b>	Information on Cadent's BAU activities and past performance	<b>Robustness &amp; relevance of evidence</b>	How robust a source is, and how relevant and directly contributory the feedback and insights are to each commitment
<b>Engagement methods</b>	The variety of methods Cadent used to engage with their stakeholders and customers	<b>Industry collaboration</b>	Whether Cadent included industry collaboration for a commitment, as stated in Ofgem's requirements
<b>RIIO-2 specific engagement</b>	Whether or not, and how many, RIIO-2 specific activities Cadent carried out related to the commitment	<b>Whole system solutions</b>	Whether Cadent considered/engaged on whole system solutions, as prioritised by Ofgem

Sia's methodology followed four stages: analysing the content of output cases, categorising and converting into the eight criteria shown above, applying a weighing to each category and finally calculating the overall completeness of the research and engagement activities completed to date. The summary concluded that there were several gaps, which we built into our plan to be covered in this stage of engagement.

This is one of the reasons that we partnered with Britain Thinks to help us to explore our 'trusted to act for our communities' commitments in July as the Sia assessment showed several gaps in this area.

**We used four expert partners to support our delivery of Business Options Testing**

***Deliberative Workshops with expert support from Traverse***

We carefully designed c.40 deliberative workshops with different segments of our customer and stakeholder base to test the commitments that we built into the July business plan submission. Segments included



customers that are typically hard to reach, future generation customers, customers who find themselves in vulnerable situations, customers with English as a second language (or cannot speak English) and elderly customers. We held these workshops at over 20 different locations across the Networks in which we operate, at different times of day (including weekends) to encourage a greater level of update and diversity being represented. In each workshop, materials were tailored according to the audience, but generally followed a similar approach. We took learnings from previous engagement events and started each session with a general overview of Cadent, the industry and the purpose of the session. This was critical, as even with pre-read material being made available, there was still a very low level of general understanding about what Cadent does in contrast to their gas supplier and how this impacts them.

We tested the overall level of commitment and ambition in the Plan at all sessions and focused in on groups of output commitments under headings such as 'improving the environment' or 'supporting customers in vulnerable situations' depending on the audience in attendance.

Each session was then tailored further, depending on the audience, to deep dive into between two to four areas of the plan with detailed discussions, using a range of techniques to draw out feedback and insights from customers. For example, we deep dived into the range of commitments relating to vulnerability and accessibility in our session with elderly customers and into areas such as sustainability and energy transition with younger / future customers.

There was a large degree of support relating to most areas of the plan, which in many ways we were expecting given the approach to engagement we have taken through the different phases; essentially co-creating our plan with customers and stakeholders from the outset. However, there were several stand-out findings from this activity; some of which have led to changes in the October version of our business plan:

- Varied views on the role we should play in supporting customers in vulnerable situations
- Reinstatement speed is not a priority
- Compensation is not seen as a priority
- Views in respect of our role in supporting environmental change varied across segments and even within segments of our customer base
- Many customers were cautious where we were proposing to deliver additional services to those we undertake today or are traditionally delivered by GDNs

### ***Cadent Voices – Regional Engagement Roadshows***

We held five regional roadshow events, where we rented space in a prominent area of one of the major city centres in our Networks (e.g. outside the Bullring shopping centre in Birmingham). We took a double decker bus clearly branded that was kitted out with a range of educational information about our business plan, along with some fun electronic games for children to play whilst their parents talked to our employee volunteers. Outside of the bus, we placed large visuals representing the work that we do and a number of other fun activities for children, families or groups of friends to enjoy. These we mainly used to draw individuals into the area to allow our volunteers to speak to them and ultimately seek their agreement to complete a relatively short, but informative, survey relating to their preferences to options in our plan.

Over 2,500 surveys were completed over the five events, and we estimate that the sites were visited by over 10,000 people, who received information about our services. This was a really important element of business options testing. Not only did we generate a large volume survey returns, but we also added a different level of diversity to those responding – moving away from customers who are used to embarking on consumer research programmes. The main benefit from this process, rather than just surveying a large number of customers / stakeholders by post, email or another means was that we still managed to have quality conversations before surveys were completed. Although this does not provide the same level of detail, and therefore weighting, as genuine deliberative workshops, these conversations provide a good level of understanding and far more than sending out a simple survey could do. Additionally, this represented an opportunity for us to live our community value by providing a great experience to individuals living or visiting some of the busiest parts of the communities that we serve. It was also a great employee motivation scheme and allowed many staff members, who do not typically deal with customers day-to-day to engage directly with them and hear what they were saying.

Again, there was generally very large support for the ambition levels demonstrated in the plan and feedback has told us that:

- There is a genuine priority for us to be seen to be working with other utilities in planning and delivering our work
- Most customers are happy to pay for the additional service levels that we had proposed in our July plan – especially those around improved customer convenience, such as appointment booking
- Customers are keen to understand Cadent's contribution to their gas bills

***Pop-up community and expert interviews with stakeholders relating to our environmental commitments – supported by Verve***

Evidence from other organisations, a number of water companies suggests that they receive valuable insights from customers and stakeholders through their investment into online communities.

Rather than jump into this immediately, we decided to test the value to us and add feedback into the RIIO2 engagement process through working with Verve to run several 'pop-up community' engagement events. This was the first one that we ran and it provided us with valuable insights over our plans to support environmental change. The success of this event and our assessment of those planned in the months to come will inform our longer-term engagement strategy, in which our current plan is to establish formal online communities to continue to engage more on topics, options and progress with customers throughout RIIO-2 and beyond.

We supplemented the pop-up community feedback with interviews with 10 expert stakeholders via Verve and 5 additional expert stakeholder interviews completed by our own External Affairs team. These included Green Peace, Green Alliance, a gas supplier, other utilities, construction organisations and local authorities. During the interviews we sought to ascertain views on the ambition levels and focus areas within our plans. The feedback was very positive with experts supporting the direction and ambition levels in our plan and offering differing views around priorities relating to carbon neutrality.

***Customer and Stakeholder Engagement in relation to our 'Trusted to Act for our communities' outcome area, supported by Britain Thinks***

We ran c.10 deliberative workshops with different customer segments. Like the work with Traverse, these segments included small and medium sized businesses, elderly customers and future generation customers, as well as being run in several different locations across our operation footprint.

They began with a similar educational piece to explain who we are and what we do but continued to explain our vision – to set the standards that all our customers love and others aspire to – and the importance of trust in order to realise this. Whilst other commitments were discussed in part during workshops, the focus was on transparency, ongoing engagement, staff engagement, executive pay and community actions – the main areas described under this outcome area in our July business plan.

The feedback from these sessions has been extremely useful to build on our plans that had, until this point, been heavily shaped through our ongoing engagement with Sustainability First's Fair for the Future Project and four pillars of a Responsible Licence to Operate and the wide range of academic and research material available around this topic area.

The feedback told us that, trust is very important to all customers and stakeholders if they are to 'love the standards set' but that is difficult with Cadent because they do not know us or what we do. It confirmed that the main factor determining trust is in the actions taken by companies and delivering what is promised.

Matters such as transparency on executive pay, taxation and performance are important, but customers themselves do not want to take the time to review these things – they generally believe that it is the role of Ofgem to be overseeing such matters and they should trust the regulator in ensuring good practice here. Customers were very supportive of the idea of a community fund linked to corporate profits, with supporting sustainability initiatives and customers in vulnerable situations being clear priorities for its use, along with small scale community support programmes such as sponsoring local sports clubs and schools. We developed our Trust Charter (Appendix 07.05.00) following this stage of research and engagement.

## Phase 6 - Acceptability Testing

Acceptability Testing was undertaken to understand and measure customers' and stakeholders' reaction to our proposed commitments (including, importantly, to what extent they are 'acceptable' to customers), prior to finalising our business plan.

Our first level of acceptability testing was completed in June and July through our Play Playback process. We engaged with customers, stakeholders and employees to 'play-back' what we'd heard following the first four stages of engagement and how this had been used to develop the commitments in our July plan. We introduced this stage via a webinar and various publications on our social media platforms, website and emails to our customer forum (2,000 customers) and stakeholder database (1,500 stakeholders). A 12-page business plan summary document was issued following the webinar and we will sought feedback on this throughout July. Feedback was incredibly positive, in particular, around the extent of engagement undertaken and ambition levels in the plan. This gave us confidence over the priorities that we had built into the July business plan and informed the business options testing phases. The playback document can be seen in Appendix 05.09.

Following the triangulation of our BOT results we are able to set out our proposed output commitments and present them as a package along with the total cost and associated bill impacts. This phase of engagement asked customers and stakeholders to assess our plan against their view of "acceptability" and affordability. We included audiences for which affordability is an issue (e.g. fuel poor customers) to ensure that we were really testing the affordability aspect of the plan.

Working with our delivery partners we developed a best in class acceptability testing process that adhered to the following principles:

- Large scale representative, quantitative research e.g. survey
- Supplemented with qualitative research to contextualise findings
- Testing of the real figures (including inflation)
- Closing the feedback loop with customers who've been on the journey
- Exploring differences between informed and uninformed acceptability
- Including boost samples e.g. customers in vulnerable situations and businesses

Our approach to the acceptability phase involved both quantitative and qualitative methods (similarly to our business options testing (BOT) phase).

### **Quantitative Method**

An online survey was ran with 4,400 domestic customer participant's. This ensured a full demographic representative comparison between each of our 4 regions (1,100 per network). 25% of the sample was interviewed face to face. In addition to this, 500 businesses were also be asked to complete a survey. 10% of which was undertaken face to face.

We also used a research technique called Implicit Attitude Testing (IAT) in the quantitative survey. Implicit testing was an opportunity to go beyond participants' rational responses to understand what they implicitly thought of the plan and was noted as good practice for a small number of water companies by Ofwat during the PR19 process.

### **Qualitative Method**

To help understand how different customers and stakeholders related to our plan, we held forums, focus groups and interviews with both informed and uninformed customers.

Method	Sample	Logistics
Focus Groups	Uninformed domestic customers	4 sessions of 16 customers; one in each of our Networks
Focus Groups	Fuel Poor customers (uninformed)	4 sessions of 8 customers; one in each of our Networks
Focus Groups	Future customers (uninformed)	2 sessions of 8 participants
In-depth interviews	Customers in vulnerable situations (informed)	20 interviews with CIVs (who have been involved in the previous BOT phase)
Telephone Interviews	Micro, small, medium and large business customers	45 interviews
Customer Forum	Informed domestic customers	4 sessions with 30 customers who have participated in our Customer Forums to date. One session in each of our Networks
In depth stakeholder interviews	Stakeholders from across multiple disciplines, including businesses, Local Authorities, industry and Environmental groups	50 in-depth interviews
Online Community	Domestic customers and businesses (uninformed)	5-day online community

We designed the content of the quantitative survey and qualitative forums and focus groups once business options testing was complete. The quantitative and qualitative work ran until the end of October 2019. This then allowed time to triangulate the results and make any amendments to the business plan, ahead of the December deadline for submission.

To date, Ofgem have not determined a required level of acceptability of business plans. Our experience, and that of the expert partners that we are engaging with, suggests that it is very difficult to assign a robust and meaningful target of acceptance. We note that the precedent set by the water sector that was between 70% and 80% acceptability. However, there are many factors that must be considered, in addition to overall satisfaction, such as the breadth of segments tested with and the phrasing of questions asked. Our results are summarised in the table below:



Engagement Approach	Informed or Uninformed?	Business Plan Acceptability (%)?	Business Plan Affordability (%)?
Domestic customers - Survey	Uninformed	83%	75%
Domestic customers focus groups	Uninformed	78%	67%
Domestic customers – Customer forums	Informed	94%	91%
Businesses - Survey and interviews	Uninformed	84%	77%
Fuel poor customers focus groups	Uninformed	74%	71%
Future customers focus groups	Uninformed	85%	80%
CIVS interviews	Informed	Yes*	Yes*

\* We interviewed 20 CIVS (1 hour interview). Whilst they were asked whether our plan is acceptable and affordable. This was qualitative data and no clear % rating can be deduced from this.

We worked with several suppliers to support us with Acceptability testing and the engagement approach overall. Savanta provided guidance on the design of our approach assured that both our quantitative and qualitative research had the optimum sample size and representative segmentation of our customer base.

Traverse delivered the quantitative survey (with Savanta supporting on the IAT) and the qualitative forums and focus groups with our informed and uninformed customers respectively. Verve designed and hosted a 5-day online community and also delivered c.50 in-depth stakeholder interviews.

As with other stages of the Enhanced Engagement programme, our other partners, Complete Strategy and Sia Partners helped to ensure that the results from this phase were triangulated and captured within our golden thread analysis and reporting.