Accent

A Strategic Review:
Customer Engagement Options to Help Inform Methodological Approach for WPD Foundation Research

Draft Report

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1 Background

WPD is currently in the process of setting out its draft core insight programme which will be designed to develop a Business Plan for ED2 that has the voice of the customer at its heart.

This programme of work will take place over the next 18-24 months with the exact timings to a degree dependent on the timescales to be confirmed by OFGEM.

A core component of this customer engagement programme will be WTP research coupled with Acceptability Testing of alternative versions of the Business Plan itself. These phases have been structured to support the Five Steps identified in WPD's ED2 business planning methodology.

Prior to this a preliminary research phase is required to ensure that the Business Plan is designed from the outset with stakeholder and customer needs at its core. There is a danger that without this phase of spontaneous/foundation insight the Business Plan could be based on certain assumptions about stakeholder and customer views that are incorrect or miss a different perspective. This initial phase of work is considered vital in ensuring that the full insight programme is set on the most appropriate course from the outset.

The company has already undertaken an extensive stakeholder engagement phase of work which has identified issues of interest for a wide variety of stakeholders throughout the network areas served by WPD. There is some concern that there is a degree of self-selection of the attendees to these stakeholder events. If WPD seeks to have an extensive, best-in-class programme of engagement it is vital it engages stakeholders from a wide range of backgrounds and perspectives, and enable them time to explore some of the more complex areas and challenges that need to be addressed by WPD over the course of their next Business Plan (and beyond). There is, therefore, a need to complement this initial work with 'end consumer' research to ensure that the programme includes all elements of importance to the widest possible stakeholder base.

Some other regulated sectors have been through a similar process and it was felt that it would be beneficial to the design of this critical Foundation Research to review what has been done elsewhere.

To this end WPD commissioned Accent to carry out desk research on **publicly available** documents to review the range of stakeholder and customer engagement undertaken by organisations in other sectors operating within a regulatory framework.

2 Objectives

The objective of this review was to inform a Foundation Research methodology which could be justifiably argued as being the most appropriate to establish both spontaneous and considered priorities for a range of different end consumers.

The review has encompassed an extensive and broad ranging set of organisations:

- 5 water companies (WOCs and WASCs)

- 3 Gas Distribution Networks

- A rail organisation.

A draft review report has been provided to WPD and a redacted version is included as Appendix A to this document.

As well as providing details of the various approaches followed by the different organisations, the report has provided a summary showing that there are potentially four discernible levels of engagement that can be identified and which provide differentiation in terms of the likely costs involved and potential outcomes, benefits and disbenefits. .

The four levels can be categorised in the following way:

Level	Overall
1	Undertaken research which consults with stakeholders and interested parties
2	Undertaken research which consults with customers and wider interested groups adopting 'blank sheet of paper'
3	Consulting with spectrum of customer types (future, vulnerable, HH, NHH) using interactive pre-tasks/reflective tasks to stretch the research process and innovative techniques to expand thinking
4	Insight embedded throughout the organisation and methodologies have moved beyond customer consultation to customer participation

3   Areas for Consideration

Whilst WPD has indicated a desire to achieve engagement in line with level 4 within the totality of its engagement programme for RIIO-ED2, there are a number of issues that need to be taken into account when determining the optimal methodology specifically for the initial Foundation Phase engagement. These are discussed in this section.

■ As stated above, WPD has undertaken an extensive stakeholder programme which can be built upon. And there may be other BAU (Business As Usual) approaches that WPD can cite that can help feed into this phase of the programme eg WPD's online community, research with vulnerable consumers, etc.

■ There will be some consumer segments that might be more effectively consulted in a different way throughout the programme and that do not then necessarily get built specifically into this initial phase. This could include future consumers, large businesses and consumers in some of the vulnerable circumstances' categories. So, for example, it might be more effective to consult with larger businesses through the MEUC or certain vulnerability groups though members of the CEG. On the latter point it is likely that certain vulnerable categories can and should be included in the wider engagement programme (for example: those in fuel poverty, or those with limited physical mobility) but the views of other groups may need to be sensitively and appropriately engaged through other stakeholders or research methods.

In this regard, we would recommend that the CEG gives consideration to how certain consumer groups could most effectively be defined and identified for inclusion in the programme so that an effective engagement approach for each can be explored.

■ The Foundation Research programme (and indeed the entire programme) needs to be mindful of the fact that consumers do not have a direct transactional relationship with WPD and many will not know how the industry is structured. The recommended approach needs to take into consideration this contextual backdrop.

Much can be learnt from the extensive programmes pursued by the water companies but equally there should be caveats set around that.

First, water consumers have a direct, if binary, relationship with their supplier and this will make some forms of research more effective than they might be for WPD eg customer segmentation research.

Also, the water companies were specifically asked to consider both long term and shorter-term time horizons and this guided their engagement activity in regard to, for instance, Water Resource Management Planning. That said, there are potentially analogous issues (such as the decarbonisation of energy) that could effectively be categorised for separate and detailed scrutiny at different stages of the programme. This is potentially straying away from the Foundation Research discussion that is the

focus for this document but thought would ideally turn to such issues at an early stage in the structuring of the engagement programme.

The water companies in general were encouraged by OFWAT to be innovative and broad ranging in their engagement approach and the majority spent substantive resource in meeting this brief (including some that resided in the Level 2 category referred to above). But there is evidence to suggest that customer engagement did not feature as strongly as other aspects (eg financing issues) in determining the OFWAT draft determination outcomes.

Furthermore, those featuring in the Level 4 category referred to above did not appear to get more highly marked by OFWAT in their specific customer engagement ratings despite pursuing potentially expensive 'sprint' like and co-creation methodologies

This suggests that care needs to be exercised when determining the scope of any part of the programme to ensure that there is an appropriate balance between cost and scope.

4 Categorisation of the various approaches

Our desktop review of the stakeholder and customer engagement undertaken by several regulated organisations has focused on the preliminary stage of research conducted to gauge customer and stakeholder views. Our review does not include subsequent research to test the acceptability of business plans, nor did it cover willingness to pay. However, sometimes the main focus of the research was not always detailed, so there may be areas where we have strayed beyond preliminary research activity.

The table overleaf lists all techniques mentioned by the organisations, categorised by the levels of engagement. For example, a 'Level 3' organisation has used some of the consultation methods listed under the Level 3 column and is likely also to have used some of the Levels 1 and 2 techniques as well. They will not however have used any Level 4 approaches.

The review does not assess the quality of the techniques employed but notes the various approaches used. A total of 44 approaches are shown.

Research techniques employed, categorised by level of engagement

Level 1	Level 2	Level 3	Level 4
• **Responses from stakeholders** regarding draft determination • **Requests for feedback from stakeholders** on the organisation's website • **Online panel for stakeholders**	• **Stakeholder workshops** (online consultation/webinars for those unable to attend) • In-depth **stakeholder interviews** • **Stakeholder Panel meetings** • **Stakeholder and customer conference** hosted by CEO and senior management. Event included **live voting, video interviews, workshops and presentations** • **Work with independent stakeholder user and challenge groups** which scrutinise the organisation's approach • **Domestic customer priorities survey** • **Customer focus groups** • Included a **range of customer types** (eg night-time workers and stay-at-home parents) • **Research with Future Customers** (18-21) including interviews, focus groups and a mobile app • **Online research with customers** to understand priorities • **Social media programme** to promote engagement activity	• **Building on ongoing customer satisfaction** tracking studies • **Horizon scanning** of other insights from other industry groups • **Innovative pre-tasks** • **Futurologist and app-based pre tasks** to explore spontaneous priorities for now and in the future • **Mock-up deprivation exercises** • **Comprehension workshops** to develop complex materials • **Community workshops** • **Visits to vulnerable customers** at home to understand their needs and how these impact on service priorities • **Topic specific deliberative groups** • **Segmentation research** • **Online customer panel/community** • **Triangulating** insight • **Behavioural change** pilot exercises • **Co-creation** approach/event • **Community Hubs**	• **Review of strategic approach** to customer engagement (including an **audit** to identify opportunities to engage with customers, **best practice discussions** and desk research as to how **leading organisations** engage their customers • **Ongoing customer engagement** • Using **behavioural economics** within customer research and engagement • **Immersive experience** in 'fourteen day' loss of water scenario • **'Virtual' video tour** of a river and other activities for customers to then 'bid' for investment in their chosen areas of environmental priority • **Trials and experiments** to test new service propositions • **Design sprints** (a five-day process to design and test ideas/new products). The **"Innovation Festival 2017"** brought together national and global companies to work with other businesses, universities, schools, stakeholders and customers to co-create solutions for distinct issues e.g. flooding and leakage and generate ideas for new projects • **Analysis of social media** • **Analysis of calls** to contact centres • **Roadshow** (vehicle which toured region and events)

Level 1	Level 2	Level 3	Level 4
			• **'Community ambassadors'** (colleagues trained to talk to community groups gathering feedback from participants through voting buttons) • **Ethnographic depths** with customers with potential **vulnerabilities** • Week-long **Water Festival** • **'Innovation Shop Window'** (a live test-bed to pilot suppliers' products and approaches) • Bringing all sources of data into an **interactive digital platform**

5   Recommendations for the Foundation Engagement Phase

Our recommendation for this important stage has been set out in a proposal sent to WPD Management.

It has been developed with all the above-mentioned issues in mind and is designed to complement the extensive stakeholder programme that WPD has already undertaken as well as other BAU based approaches that the company is considering.

Our proposal is pitched at somewhere between the Level 3 and 4 categories discussed above and comprises a deliberative approach of pre-tasked reconvened workshops with a reflection phase post workshop. The work is designed to cover household and non-household consumers as well as having representation of customers in vulnerable circumstances. Tasks will be delivered through an engaging app (with paper versions available where there is a customer preference/need) designed specifically for WPD.

It is designed to enable both spontaneous, considered and informed responses.

Appendix A

An Analysis of Customer Engagement in Other Regulated Markets to Inform Methodological Approach for WPD Foundation Research

An analysis of customer engagement in other regulated markets to inform methodological approach for WPD Foundation Research

Background

WPD commissioned Accent to carry out desk research on publicly available documents to review the Best in Class stakeholder and customer engagement undertaken by organisations in other sectors operating in a regulatory framework.

The objective was to identify the most appropriate consultation approach for WPD's foundation research to establish spontaneous priorities for their customers.

In total 5 water companies of different sizes including water only and water and wastewater companies were included, 3 gas distribution networks and a rail organisation and the core findings have been presented here for each company outlining the research objectives, research approach and the level of engagement.

There is a summary of overall findings which will show four distinct levels of engagement that have been identified and the implications that the different methodological approaches could have for WPD's foundation research.

Level	Overall
1	Undertaken research which consults with stakeholders and interested parties
2	Undertaken research which consults with customers and wider interested groups adopting 'blank sheet of paper'
3	Consulting with spectrum of customer types (future, vulnerable, HH, NHH) using interactive pre-tasks/reflective tasks to stretch the research process and innovative techniques to expand thinking
4	Insight embedded throughout the organisation and methodologies have moved beyond customer consultation to customer participation

Alongside this, Accent will develop a proposal for WPD foundation research based on the review findings. We propose adopting a Level 3/4 approach to ensure innovative and interactive exercises stretch WPD customers' thinking beyond the ordinary to generate more challenging and meaningful insights.

Overall Conclusions

For each level, we have outlined associated positives and negatives of adopting that level of engagement. The key for the 'who' column is below.

Level	Who	Positives	Negatives
1	REG1 GDN1	Consulting with experts who have full understanding of industry issues Focused research spend concentrating on relevant parties	Limits insights to narrower audience Main focus is on established stakeholder groups vs customer responses
2	GDN2 GDN3	Covers interested Stakeholder groups AND generates insight from core customer base	Balance towards stakeholders vs. customers Limited preliminary tasks to maximise comprehension and stretch insights
3	WC1 WC2	Unprejudiced and open approach Covers interested parties AND generates insight from core customer base Using preliminary work to ensure customers comprehend complex industry issues and respond consciously in a meaningful manner	Cluster of research activity vs. complete customer participation Higher costs associated with interactive app-based pre-tasks
4	WC3 WC4 WC5	Continuous engagement programmes adopted employing insights from their day-to-day activities into their business planning NOT just pre business planning Investment in a wide range of innovative ways to engage customers e.g. co-creation events, 'Innovation Festivals', immersive research and customer online panels Staff engagement and community events	Significant investment in ongoing, large scale customer participation programmes High demand on resourcing Return on investment is not known

Key

REG1	Rail Organisation	**WC1**	Water Company 1
GDN1	Gas Distribution Network 1	**WC2**	Water Company 2
GDN2	Gas Distribution Network 2	**WC3**	Water Company 3
GDN3	Gas Distribution Network 3	**WC4**	Water Company 4

WC5   Water Company 5

<div style="background-color:#1F6FC4;color:white;font-weight:bold;text-align:center;">Overall Considerations for WPD Foundation Research</div>

1. Longer term 'Level Four' customer participation adopted by WC3, WC4 and WC5 could be less fruitful and more challenging for WPD who do not have a direct billing relationship with their customers. Even water customers, who have a direct billing relationship, can find that their lower water bill, lack of market place competition and limited service disruptions means they feel they have little to contribute

2. Many of the Water Companies have adopted 'Insight Hubs' to spread customer engagement throughout the organisation. Although this isn't a methodological recommendation, it is worth considering how to share customer insights in a timely manner across the business

3. Water companies have adopted customer segmentations to differentiate their customer base in order to develop communications that might contribute to behavioural change e.g. water/sewerage usage. These segmentations were partly in response to OFWAT directives – there is no regulatory requirement for WPD to do this at the present time and there may be limited scope for WPD to use such a segmentation

4. A number of the water companies and gas networks have engaged with Future customers to ensure non bill payers' priorities are captured. This is often done in the form of an online panel and it is felt that, provided there are distinct objectives on bill payers, this is a worthy consideration for WPD

5. Some of the more innovative methodologies are interesting e.g. using a Futurologist to determine longer term priorities. This is more relevant for water companies who are focusing on 25-30 year plans (WRMP); WPD's research requirements focus on short term Business Plans; therefore, while this could be interesting as part of a longer term research programme, it may not be cost effective for the foundation research

6. WC4 commissioned a review of best research practice and this open minded approach has been adopted by WPD to identify Best in Class methodologies

7. All companies have demonstrated the importance of social inclusion through HH depths for Vulnerable customers and we recommend this is a key component for WPD's foundation research to understand service priorities

8. The water companies have demonstrated using a range of techniques to explain the industry supply chain, company responsibilities and challenges. A number have used reconvened sessions separated into 'Comprehension' and 'Insight' sessions. This is an important consideration for WPD who have the challenge of introducing the role of a Power Network and their role in the customer supply chain and a two phased research methodology for WPD's foundation research will be a key consideration

9. Use of engaging pre-tasks utilising app based or paper-based techniques to enhance research engagement including deprivation exercises and immersive techniques to replicate and understand the impact of service failures are evident. We recommend WPD use these techniques within the foundation research

10. A number of companies have ensured strong staff engagement and this could be a consideration for WPD's foundation research

11. 'Sprint' methodologies have been used to explore new ideas and provide customers with more time to announce spontaneous views, comprehend WPD business and make informed comments

WC3

Objectives	Approach	Level of engagement
• To develop its **customer engagement strategy** • To **change its approach to strategic customer engagement**.	• Initial attitudinal customer **segmentation** to understand different customers' viewpoints • Focus groups to help **understand customers' worlds** • **Co-creation** approach to help develop how to engage with customers on difficult topics such as resilience • Set up **online community** with 500 customers (see below) • Created **'community ambassadors'** (colleagues trained to talk to community groups gathering feedback from participants through voting buttons) • Ethnographic depths with customers with potential **vulnerabilities** • Many **events** designed to be entertaining for customers and offer insight. **WC3 bus tour** across region (7,000 engagement opportunities across 18 locations). On-board **voting boxes** asked customers about water saving ideas and smart metering • Week-long **water festival** in a city. Visitors interacted with fairground themed attractions re. water resource challenges • **Electric van** travelled round region as part of the outline plan consultation. Used **digital engagement** to engage customers to make investment choices. • Workshop with **future customers** (Year 11 pupils) and homework for primary children. • **"Innovation Shop Window"** in a town - a live test-bed to pilot suppliers' products and approaches. Engages with customers. • **Online customer community** for ongoing engagement – an evolving group of customers respond to a weekly online research topic. Qual insights, regular engagement with WC3's water plan, short surveys, share info and have informed debate.	• Level Four • Multiple pieces of ad-hoc and ongoing research • Multi-channel research approach • Adoption of test sites to trial new initiatives • Step change from Business Plan focused customer engagement to long term customer participation

WC4		
Objectives	**Approach**	**Level of engagement**
• **Extensive review of strategic approach to customer engagement** in 2015 • Ensured that **approach** would be **leading** both within the water industry and compared with other sectors	• **Review of strategic approach** to customer engagement leading to document outlining seven principles for customer engagement. Review included **Audit** to identify all opportunities to engage with customers, **Best practice discussions** and desk research into how **leading organisations** engage their customers • **Engagement takes many forms**: co-creation events, design sprints (a five-day process to design and test ideas/new products – see Innovation Festivals below), online forums (Have your Say), social media and calls to WC4's contact centres • The **Innovation Festival 2017** brought together national and global companies to work with other businesses, universities, schools, stakeholders and customers to co-create solutions for distinct issues e.g. flooding and leakage and generate ideas for new projects • WC4 creates opportunities for staff to **engage with customers in their own communities**, including through its mobile engagement vehicle 'Flo' which travels through regions in rural areas and events • **Customer engagement is continuous**, not just focused on a price review alone e.g. an online community with over 500 members, around one third of whom have additional needs in which customers interact with each other and WC4 • , sharing ideas and experiences and taking part in surveys • An event brought together national and global companies to work with other businesses, universities, schools, stakeholders and customers to co-create solutions for distinct issues e.g. flooding and leakage and generate ideas for new projects	• Level Four • Multiple pieces of ad-hoc and ongoing research • Step change from Business Plan focused customer engagement to long term customer participation

WC5

Objectives	Approach	Level of engagement
• **Develop customer engagement** for PR19 focusing on: – **improving customer research** to better reflect customer priorities – ensuring that **research and engagement is continuous** rather than driven by price reviews – **involving customers** in service delivery – thought leadership **contribution to industry thinking** on **engaging with and listening to customers**	• Using **behavioural economics** within customer research and engagement • **Triangulating insight** to provide balanced and robust outputs • **Hard-to-reach and customers in vulnerable circumstances**. Visits to vulnerable customers at home to understand their needs and how they might use online services • **Customer panel** (WC5's online research panel set up in April 2017). Since then over 7,700 customers have signed up to take part in surveys and discussions to help WC5 better understand what customers want and value • Long-term supply interruptions: **immersed customers** in 'fourteen day' loss of water scenario, using **mock-up** text and telephone messages, newspaper articles, supermarket stocks, water rationing activity, and estimating level of customer compensation demands for long-term • River catchment management: involved a **'virtual' video tour** of a river, a model farm to simulate what happens with water 'run-off' and floor puzzle games which when completed revealed a balanced eco-system. Customers asked to 'bid' for investment in their chosen areas of environmental priority • **Trials and experiments:** to test new service propositions (eg testing if customer communications affect items flushed down the loo) • **Co-creation** – problem solving bringing WC5 together with customers (eg re-designing bills) • Bringing all sources of data together in an interactive digital platform which makes data available and accessible to colleagues	• Level Four • Step change from Business Plan focused customer engagement to dynamic and ongoing customer participation

WC2		
Objectives	**Approach**	**Level of engagement**
• Understand customers' spontaneous priorities • Improve customer research dialogue • Develop customer promise, communications and brand strategy	• Using **innovative pre-tasks** to ensure customers consciously think about water • Using **mock-up deprivation exercises** to ensure customers understand water outages • Improved **ongoing dialogue** with customers through emerging online panel • **Triangulating insight** to provide balanced and robust outputs • **Hard-to-reach and customers in vulnerable circumstances**. Visits to vulnerable customers at home to understand their needs and how these impact on service priorities • **Behavioural change** pilot exercises e.g. Water Smart in Cambridge area • **Co-creation** – problem solving bringing SSW together with customers • **Community Hubs** to provide outreach service and opportunity for staff to engage with customers	• Level Three moving to Level Four • Step change in engagement including ongoing customer panels and combination of ad-hoc methodologies

WC1		
Objectives	**Approach**	**Level of Engagement**
• Understand customers' spontaneous priorities • Improve customer research dialogue • Develop customer promise, communications and brand strategy	• **Building** on ongoing customer satisfaction tracking studies • **Horizon scanning** of other insights from other industry groups • Using **innovative pre-tasks** to ensure customers consciously think about water • Using **mock-up deprivation exercises** to ensure customers understand water outages • **Stakeholder workshops** with residents, councils, environmental groups, developers • **Comprehension workshops** to develop complex materials and **Community workshops** to test final outcomes and priorities relating to difficult and challenging topics e.g. WRMP • **Hard-to-reach and customers in vulnerable circumstances**. Visits to vulnerable customers at home to understand their needs and how these impact on service priorities • **Topic specific deliberative groups** to focus on specific issues • **Segmentation research** – to address the idea that all customers are not the same • **Futurologist and app-based pre tasks** to explore spontaneous priorities for now and in the future	• Level Three moving to Level Four • Step change in engagement including ongoing customer panels and combination of ad-hoc methodologies

GDN2		
Objectives	**Approach**	**Level of engagement**
• Explore customer priorities for ED2 Business Planning	• **Two phases** to Priorities Research • Using GDN2's five overarching business and Stakeholder priorities as starting point, **customer focus groups** to find out what was most important • **Range of customer types included** e.g. night-time workers and stay-at-home parents • **Online research** to understand more about customers' and stakeholders' priorities • **Mobile app, focus groups and interviews with Future customers** (aged 18-21) research in partnership with electricity and water partners to avoid fatigue • **Stakeholder and customer conference** hosted by GDN2's CEO and senior management team. The event included **live voting, video interviews, workshops and presentations** to engage delegates and source valuable feedback. The event set out to engage a **broader range of stakeholders and customers**, beyond GDN2's official stakeholder panel. GDN2 shared plans and asked for feedback and showcased examples of innovation and future energy, (eg hydrogen car and Digital Operations Room) and gathered feedback on essential elements of service delivery highlighted by stakeholders in the priorities research • **Stakeholder Panel meetings -** A dedicated panel that meets regularly to discuss key industry topics and share GDN2's progress. It includes representatives from business, academia, utilities, charities and the voluntary sector, is representative of GDN2's stakeholders and helps to shape key initiatives and strategies	• Level Two • Use of emerging methodologies • Customer engagement website is a transparent way of sharing insights • Limited evidence of spontaneous priorities - customers may have used a predetermined list to identify priorities

GDN1

Objectives	Approach	Level of engagement

• Explore customer priorities for Business Planning	• GDN1 has **spoken to over 12,500 customers and stakeholders** to work out what should be included in its five-year plan. From this, GDN1 has derived seven priorities falling under three themes, which GDN1 have called 'Our Commitments'
	• GDN1's website includes **requests for feedback** from customers and stakeholders:
	  – GDN1 states its **commitment to engaging with its stakeholders** and invites interested stakeholders to register their interest
	  – GDN1 invites **stakeholders, businesses and customers to get involved** and give their views on its business plans by joining its online panel and take part in its online survey which asks for feedback on particular ideas
	• One of GDN1's publications notes that, as well as domestic gas customers, GDN1 talks to different groups of customers including vulnerable customers, fuel-poor customers, industrial/ commercial users, new gas
	• GDN1's website includes a page where documents will be uploaded regarding development RII02-GD2. There are not yet any documents on this page
	• Activities planned in 2019 include:
	  – **Public events**
	  – **Specific events** and **specialist panels**
	  – **Customer panels** – regular online conversations with panel members
	  – **Round table discussions**
	  – **Webinars** with online engagement
	  – **Stakeholder meetings and workshops**
	  – **Large energy user liaison** – round table or bilateral meetings
		• Level One with evidence of latterly moving towards Level Two
		• Stakeholder vs customer focus
		• Challenge from CEG in GDN1's CEG April 2019 Progress Report: the CEG "*noted how customer and stakeholder views' could differ, while issues around the future of gas could be quite hard for some customers to engage with. This means more reliance is placed on stakeholder input rather than customer. GDN1 is now working to populate this matrix, which we believe will be helpful to all parties.*"
		• GDN1 asks for feedback from customers and stakeholders, but these will be self-selecting to a certain extent. It is not clear how GDN1 is proactively seeking to engage with a representative sample of each

GDN3		
Objectives	**Approach**	**Level of engagement**

• Engagement for next Business Plan	• GDN3 invites stakeholders on its website to be involved in consulting on its next business plan for RIIO-T2. It is involving stakeholders in a three-phase engagement process:
	   1. to establish stakeholders' priorities
	   2. to build the detail of the business plan with stakeholders
	   3. to check the plan will deliver what stakeholders need
	• GDN3 is currently at the third stage of this process and in July 2019 published its draft plan. To develop this plan GDN3 engaged with over 900 individuals covering all its main stakeholder groups and listened to over 10,000 household and business consumers through meetings, focus groups and surveys.
	     o Stakeholder workshops (themed content to target stakeholders of interest) & online consultation / webinars for those unable to attend
	     o In-depth stakeholder interviews including MPs
	     o Domestic consumer priorities survey
	     o Aligned with existing stakeholder and customer satisfaction surveys
	     o Social media programme to promote engagement activity
	• GDN3 is working with independent stakeholder user and challenge groups which scrutinises GDN3's approach and ensure the business plan will achieve the right outcomes for stakeholders and end-consumers
		• Level Two
		• Although GDN3's draft plan mentions the engagement that took place with stakeholder groups and customers, it does not give detail

REG1		
Objectives	**Approach**	**Level of engagement**

• **2018 periodic review (PR18)**	• The 2018 periodic review was the process through which REG1 determined its industry should deliver in the next control period 6. The review also covered how the funding available should be best used to support this.
	• The review fed into:
	  − the service that customers receive
	  − the charges that customers will pay
	• REG1 began the periodic review in May 2016 with its initial consultation document
	• REG1's draft determination set out its proposed decisions on the review, along with its approach for how it would regulate its industry.
	• 52 responses were received from stakeholders to the draft determination consultation
	• REG1's final determination set out its overall decisions, reflecting REG1's consideration of stakeholder views on its draft determination
	• REG1 assessed the quality of the stakeholder engagement, summarising key strengths and weaknesses of the engagement. An independent survey of stakeholders was also carried out
		• Level One
		• Stakeholder engagement is not supported by primary research on end users (ie rail passengers and freight customers)
		• The consultation focuses solely on stakeholders