

SHE Transmission

Stakeholder Satisfaction - Key Performance Indicators Report for 2014 - 15

(May 2015)

Stakeholder Satisfaction KPIs

2014/15

Introduction

As part of the arrangements for the RIIO-T1 price control that runs from 1 April 2013 to 31 March 2021, Scottish Hydro Electric Transmission (SHE Transmission) have developed and implemented Key Performance Indicators (KPIs) to assist our customers and other stakeholders, including Ofgem, to understand and monitor the quality of service we provide and how we're performing in relation to each of our commitments. This set of KPIs will provide a transparent and objective means for a range of parties to assess the quality of the service we provide. Our performance against these measures will result in us being either rewarded or penalised.

This report provides the results and performance of our KPIs for the year 2014-15.

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KPIs Table and Score

The table below shows the performance against each of Our Commitments in terms of percentage of score as compared to the identified target. KPIs which are already incentivised by Ofgem through other mechanisms are excluded from the percentage of score to avoid duplication e.g. KPI 1.2.

1 We will develop, maintain and operate our networks safely at all times.								
	KPIs	Measure	Incentivised Elsewhere?	Target	Actual	% Score	Weight	Rating
1.1	Reportable safety incidents for our staff and contractors and the general public	TRIR : Number	N	0.55	0.9	61%	5%	1
1.2	Average duration of interruption per customer	Minutes	Y	8.4	43			
1.3	Transmission network outages planned in current year	Number	N	923	737	125%	10%	3
2 We will seek to provide our customers and stakeholders with the best possible service.								
	KPIs	Measure	Incentivised Elsewhere?	Target	Actual	% Score	Weight	Rating
2.1	Stakeholder satisfaction survey score (overall)	%	Y	70%	77%			
2.2	Average working days to acknowledge written correspondence regarding general enquiries	Days	N	7	2.2	318%	5%	3
2.3	Number of complaints received and percentage resolved within 30 days	Number : %	N	24	161	15%	5%	0
3 We will maintain our commitment to delivering Value for Money across our activities								
	KPIs	Measure	Incentivised Elsewhere?	Target	Actual	% Score	Weight	Rating
3.1	SHE Transmission overall expenditure (actual vs allowed, on a rolling basis)	£m	Y	£304	£467			
3.2	Major transmission projects delivered within year	Number	-	1	2	200%	10.00%	3
3.3	Other transmission projects delivered within year	Number	-	18	14	78%	10.00%	2

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4 We will operate in a sustainable manner, with consideration to the long-term impact of our activities.								
	KPIs	Measure	Incentivised Elsewhere?	Target	Actual	% Score	Weight	Rating
4.1	Site environmental audits carried out	Number	N	135	203	150%	5%	3
4.2	Reportable environmental incidents	Number	N	0	1	90%	10%	3
4.3	Number of new trainee posts created	Number	N	24	3	13%	5%	0
5 We will build and maintain lasting, mutually beneficial relationships with those affected by our activities.								
	KPIs	Measure	Incentivised Elsewhere?	Target	Actual	% Score	Weight	Rating
5.1	Timely submission of Connection Offers to System Operator	%	Y	100%	100%			
5.2	Approved suppliers located within licensee area	%	N	25%	29%	116%	5%	3
5.3	Volunteering days donated to the community	Days	N	161	162	100%	5%	3
6 We will work smarter, deploying innovative solutions where these can assist us in developing, maintaining and operating our networks.								
	KPIs	Measure	Incentivised Elsewhere?	Target	Actual	% Score	Weight	Rating
6.1	Network Innovation funded projects with two or more external collaborators and/or research providers	%	N	80%	85%	106%	5%	3
6.2	Learning from Network Innovation funded projects established as Business As Usual	Number	N	2	2	100%	5%	3
6.3	Business improvement measures and innovation put in place	Number	N	18	28	156%	10%	3
7 We will report regularly on our performance so you can assess how we are delivering on these commitments and our wider obligations.								
	KPIs	Measure	Incentivised Elsewhere?	Target	Actual	% Score	Weight	Rating
7.1	Annual performance against Our Commitments is reported on time, in an understandable format and covers our key outputs and obligations.	RAG	N	GREEN	GREEN	100%	5%	3

Note^[1] : For item 2.3, only the first part of the dual target, which is the number of complaints received, will feed into the percentage score. This is consistent with the definition as explained in the SHE Transmission Proposed Key Performance Indicators document (page 17).

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Overall Performance Score

The overall performance is summarised in the table below:

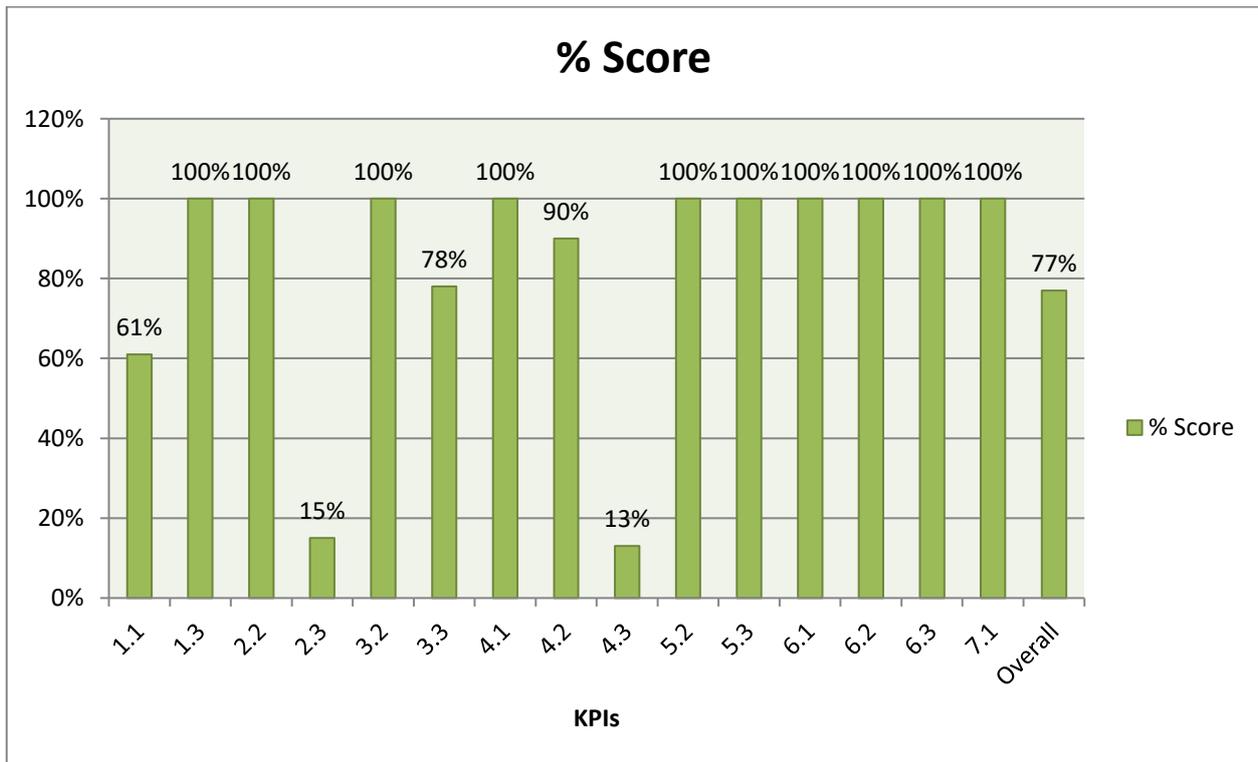
Total overall score (Sum of all KPI ratings). Note : Refer to descriptions for rating under page 7.	36
No of KPIs not incentivised elsewhere	15
Aggregate score % for KPIs	80%
Aggregate Performance Score (Total Overall Weighted Percentage)	86%

The Aggregate Performance Score (Total Overall Weighted Percentage) achieved for the year 2014/15 is **86%**. This is the final performance score total to be used by Ofgem for the reward or penalty purposes in accordance to the Special Condition 3D.

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Below is the graph showing the percentage score of each KPI item and its overall performance score.



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Descriptions for score elements

1. Percentage of score (% score)

The calculated percentage score compares the actual score against each allocated target which evaluates the performance of each individual KPI.

2. Rating

The ratings on the last column are assigned according to the percentage banding shown below:

Rating	Lower %	Upper %
0	0.00%	49.00%
1	50.00%	68.00%
2	69.00%	89.00%
3	90.00%	110.00%

3. Weight

- a. 10 % - These measures are selected for their direct impact on our stakeholders and for their criticality to our core objectives as described in our Business Plan.
- b. 5 % - These are identified as having an indirect or narrow impact on our stakeholders, or may be considered as inputs

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4. Total overall score

The total overall score is the summation of the individual KPIs rating score.

5. Aggregate score % for KPIs

This is calculated by dividing the total overall score by 45 (maximum overall score).

6. Aggregate performance score (Total overall weighted percentage)

This is calculated by multiplying individual percentage of score with its weight. The aggregate performance score is the summation of all these products.

KPIs with performance below target

KPI 1.1 - Reportable safety incidents for our staff and contractors and the general public

The reported Total Recordable Injury Rate (TRIR) figure of 0.89 is a combined TRIR for our staff and contractors; it includes office hours worked by SHE Transmission staff. The contractor TRIR performance worsened from 0.59 in 2013/14 to 1.10 in 2014/15. We believe that there are two key reasons for this increase: firstly, more incidents happened particularly in the first quarter of the year where 11 incidents occurred and; secondly, there was greater awareness of reporting requirements and improved relationships allowing better sharing of information. For a further year, there were no injuries to members of the public.

KPI 2.3 - Number of complaints received and percentage resolved within 30 days

There were 161 complaints received during Financial Year 2014/15 which is above our initial proposed target of 24. Whilst better reporting of complaints, and an exceptional increase in our level of construction activity are likely to have contributed to this performance, we are disappointed to have given this level of cause for complaint. A large percentage of these complaints related to local concerns around projects under construction and the increased use of local roads and infrastructure. Community meetings and events have been organised to mitigate these complaints and reduce future complaints, as well as direct follow up contacts with the individual complainants in order to resolve the issues raised. The other area in which our complaints figures were relatively high sprung from a fault in our telephony/call waiting system

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which was found to be under-estimating the call waiting time for customers ringing in. This fault has since been identified and rectified.

We also report on the number of complaints that we resolved within 30 days. Whilst this figure does not contribute to the reward we receive for our Stakeholder KPI performance (and neither is it incentivised elsewhere) we believe this is an important metric through which stakeholders can assess our service performance. In 2014/15, we aimed to resolve 100% of complaints within 30 days, achieving a figure of 87% of complaints resolved within that time. This is however a marked improvement on last year's figure of 76.6%.

KPI 3.3 - Other transmission projects delivered within year

There were 14 projects delivered during 2014/15, fewer than our target of 18. The target for this was based on our 2013/14 plans and was not representative of our project portfolio for 2014/15. The actual target for 2014/15 should have been 15 projects delivered (excluding major projects which is reported separately under KPI 3.2). The project that was not delivered (Strathy North & South Connection Works) has been rescheduled to be completed in July 15 due to delays in the installation of 132kV cable ducts and cable bridge at Strathy.

KPI 4.2 - Reportable environmental incidents

There was one reportable environmental incident in the past year which happened on the Beaully-Denny project and featured issues raised in relation to the storage of tyre bales at Beaully. This was raised as a compliance issue in relation to Waste Management.

KPI 4.3 – Number of new trainee posts created

There were 3 new full time graduate trainee posts created in transmission in 2014/15 against a target of 24. This was purely due to the target having been set in line with 2013/14's proposed figures. For 2014/15 there were only to be 4 of these posts targeted to be created.

In addition to this there were 19 work experience trainees brought in on 10 week placements within the transmission business aimed at giving young unemployed persons from two of our local areas an opportunity. These however were not included in the above figures as we classify trainees as full time, permanent posts for this purpose.

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