

# SDC SUPPLIER OBLIGATION PROJECT

an evaluation of the Sustainable Development Commission's  
stakeholder and public engagement process

October 2008





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- consumer groups
- Budget
- Feedback to stakeholders

#### **Facilitation/input to Core Group**

- Quality/overall approach to facilitation
- Individual tasks
- Practical issues
- Being understood and hearing others

#### **People and Attendance**

- Representation
- Non-attendance and substitutions
- Level of knowledge
- Relationships

## **5.2**

### **Impact**

**17**

#### **Purposes achieved**

- Aim and objectives achieved
- Development of a number of propositions
- Understanding how suppliers might collaborate with others to reduce carbon emissions
- Consumer response
- Understanding the pros and cons of each proposition
- The policy implications of the findings

#### **Value to participants**

- Value for the time invested

#### **Value for Defra**

- Impact on policy development
- Influence on future stakeholder engagement processes



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## 1. Scope and purpose of the evaluation

This report sets out the findings of the evaluation of the stakeholder and public engagement process that involved key stakeholders and energy consumers in discussions about how the Supplier Obligation could develop post 2011. The Supplier Obligation is an innovative policy instrument being developed by Defra. It aims to transform the market for the supply of domestic energy by giving suppliers and consumers a shared incentive to reduce carbon emissions from homes.

### **Aim and objectives of the SDC engagement process**

The overarching aim of the project was to inform the development of Defra's policy on the Supplier Obligation post 2011.

Key objectives were to:

- Develop a number of propositions, with stakeholders, for the delivery to the market of options for reducing carbon emissions associated with domestic energy use
- Begin to understand how suppliers might collaborate with other players in order to reduce carbon emissions associated with domestic energy use
- Explore how consumers respond to stakeholder propositions, their perceptions of how the propositions might affect vulnerable groups, and to understand what further information and development is needed
- Understand the pros and cons of each proposition
- Understand stakeholders' views about the policy implications of the findings

The evaluation was asked to review and comment on the aim and objectives of the programme; however, given the limited time and scope available for the evaluation process, the specific focus was on the following indicators of success. These included some qualitative indicators that were not part of the original aims and objectives.

- The degree to which participants felt they were heard and understood
- The degree to which propositions / messages from the Core Group / consumer research have influenced or are likely to influence Defra's policy development.
- The quality of the propositions / messages
- The space that was opened up for innovative solutions and proposals.



- The extent to which the process has encouraged Defra to consult with a broader range of stakeholders as the development of the Supplier Obligation proceeds
- The degree to which participants feel that the sessions were good value for the time they invested.
- The extent to which the process succeeded in participants sharing an understanding of each others' needs, wants and opinions – i.e. building relationships.

Other indicators of success are covered in the evaluation but to a lesser degree of detail and analysis. The full evaluation framework with the above key success indicators highlighted is set out in appendix 1. Given the resource available to the evaluation the main focus and detail is centred around the work of the Core Stakeholder Group, however through this analysis evidence is considered about the role and contribution of the consumer research and E-group input to the process objectives.

## 2. The engagement process

The SDC project was initiated by bringing together a Core Group of key stakeholders, to develop a range of possible propositions for reducing household emissions from 2011. This was undertaken in two facilitated Core Group meetings, which were held in February and March 2008. These propositions were then explored with consumers in 12 discussion groups around the country. Throughout the project, ideas and findings were explored with a stakeholder E-Group, which acted as a sounding board and provided responses to the unfolding work of the Core Group and the consumer discussion groups. Following the consumer discussion groups, and input from the E-Group, the Core Group of stakeholders discussed policy implications, and agreed on a set of key messages for Defra, in a final meeting held in June 2008. A final report was produced by the engagement consultants 3KQ and Opinion Leader in July 2008.

The outcomes of the project will form part of the evidence base that will feed into the public consultation Defra has committed to publishing in Autumn 2008.

## 3. The evaluation process

The evaluation framework (appendix 1), setting out key success indicators, informed the design of the evaluation process. Budgetary constraints prevented a more formative/participative approach and so the evaluation takes a



summative perspective, looking back and seeking evidence and opinion on the completed process. The following methods have been used to gather evaluative evidence.

- In-depth semi structured phone interviews with key members of the SDC and facilitator project teams. The question schedule is set out in appendix 2.
- In-depth semi structured phone interviews with a sample (5) of the Core Stakeholder Group, including a representative from Defra. The question schedule is set out in appendix 3.
- An electronic questionnaire administered to a sample of the E-Group. The question schedule is set out in appendix 4.
- Appraisal of the evaluation forms completed by participants at the end of each of the three Core Group meetings.

## 4. The structure of the report

The findings first set out the overall '**key messages**' from the evaluation, organised under '*worked well*' and '*could have worked better*' headings. These are drawn from the more detailed analysis of evidence and learning points set out in 5.2. The evidence and learning is divided into three broad themes; '**The stakeholder dialogue process**', '**Impact**' and '**Next steps**'. Each of these themes is further divided into a number of more specific '**evaluation topics**'. Within each of the evaluation topic areas the report sets out an analysis of the '**evidence**' under relevant sub headings and from this analysis draws out a series of '**key learning points**'.



## 5. Findings

### 5.1 Key messages

Worked well	Could have been done better
<ul style="list-style-type: none"><li>• The multi stage model worked well, was widely supported and understood.</li><li>• The facilitative input and explorative style was well received and of high quality. It enabled a different, less combative style of communication than often occurs when different sectors meet around these issues. All stakeholders contacted expressed a desire to engage in future on similar issues.</li><li>• The scene setting presentation, re. Defra's policy position and current thinking was considered extremely valuable.</li><li>• The breadth of stakeholders participating from different sectors was a key strength of the process.</li><li>• New relationships and contacts were developed, some of which will be sustained beyond the process.</li><li>• Defra is making good use of the findings and the propositions are informing the Supplier Obligation policy development.</li><li>• The process has encouraged Defra to use the model in other engagement situations and to engage a broad range of stakeholders when addressing complex, multi position issues.</li></ul>	<ul style="list-style-type: none"><li>• The optimum balance between process and content is difficult to judge. In a complex three-session process the Core group needed more 'content time' to focus on a more detailed analysis of the propositions' pros and cons and their policy implications. The quality and relevance of propositions may have benefited from this additional investment.</li><li>• To maximise the effectiveness of the E-group its specific role and remit needs to be very clear and the input to the Core Group's deliberations needs to be more tightly integrated.</li><li>• More extensive and deliberative engagement with consumers and between Core group members and consumers would have been valuable but was not achievable within the constraints of the project budget.</li><li>• A progress report back to stakeholders from Defra is a clear imperative. This will not only inform but also serve to build good relationships, confidence in the process and a willingness to participate in future engagement processes.</li><li>• More proactive pre process briefings of stakeholders may have enhanced participation and the effectiveness of stakeholder input by ensuring that everyone had a minimum baseline knowledge and understanding of the issues, relevant technical points and the broader policy environment.</li></ul>



## 5.2 Evidence and learning points

Evaluation topic	Evidence	Key learning points
<b>The stakeholder dialogue process</b>		
<b>Clarity of purpose</b>	<p><b>An understanding of what the process tried to achieve and how the findings will be used</b></p> <p>Despite being a complex multi stage process it was clear to most participants what was to be achieved and how the findings would be used in influencing the development of the Supplier Obligation. This was endorsed across SDC, Defra, facilitators, Core Group members and the E-group. Some stakeholders did question whether people participating in the E-group were clear about the objectives based on the input they provided.</p> <p>There was strong support of the overall engagement model for developing propositions i.e. constructing draft propositions with a core stakeholder group, inviting input from the E-group, testing with consumers, considering feedback and moving to final reporting.</p> <p><b>Framing of process aim and objectives</b></p> <p>Feedback suggested that qualitative process objectives such as collaboration, relationship building, developing mutual understanding and influencing the style of Defra's future engagement work should have been included alongside the more quantifiable outcomes such as propositions developed and tested. Although these were desired outcomes they were not formally written down and so perhaps did not receive the attention they merited.</p>	<p><b>Learning points:</b></p> <p>A. The multi stage model was good and widely supported and understood. It is certainly worth replicating (with some refinements) in other situations.</p> <p>B. In a stakeholder engagement process both output and outcome, quantitative and qualitative objectives need to be set out and communicated at the start.</p>
<b>Process design and development</b>	<p><b>Scope of the discussion</b></p> <p>Although most respondents expressed satisfaction with the level of engagement there was some confusion about the degree of influence over the propositions that went forward from the process. Some respondents wanted more input into the final propositions and consensus around what was proposed while others were happy with a more advisory role.</p>	<p><b>Learning points:</b></p> <p>A. Clarity on the 'level' of engagement is important. For example, the elements of the process that involve deliberation,</p>



	<p>was proposed while others were happy with a more advisory role delegating the final working up of propositions to SDC. SDC expressed the opinion that the process was caught somewhere between dialogue and consultation and there should have been a little more clarity about roles, remits and levels of engagement.</p> <p><i>"it wasn't quite a consultation nor was it a full scale deliberative process therefore the level of commitment was a bit in between"</i>(SDC)</p> <p><b>Structure/integration of the process</b></p> <p>There was strong agreement that the first Core Group meeting was too process focussed for the particular participants in the room. This led to frustrations and, according to some stakeholder feedback, resulted in people opting out and not attending sessions two and three. Comments included; <i>"frustration"</i>, <i>"too complicated"</i>, <i>"convoluted"</i>, one stakeholder described it as like <i>"pulling teeth"</i> and another felt that <i>"by mid afternoon people were tearing their hair out"</i>. One reflection suggested that this was a group of very content focussed stakeholders and although the motive of not prejudging issues was understandable from a facilitation point of view there was wide agreement that for this group it did not work well. There were suggestions that some of the process material could have been agreed before the meetings or imposed rather than negotiated during the first meeting. Facilitator feedback suggests that the balance between process and content is a difficult one to strike but recognised in retrospect that the first session should have enabled participants to focus on content issues more quickly. Paradoxically the intent of the strong focus on a blank sheet of paper at the start and spending time on developing a method for judging the value of propositions worked against having sufficient time later on to deliberate on the pros and cons of each proposition and to debate policy implications.</p> <p>There was general consensus that sessions two and three were much more focussed resulting in considerable stakeholder buy in, positions less</p>	<p>consultation or market research need to be agreed/ communicated and clear to all involved. Similarly the degrees of responsibility for drafting the final propositions must be clear and widely understood.</p> <p>B. The optimum balance between process and content is difficult to judge. This group expressed clear frustration with the process focus of the first session. Given the Core Group was very content focussed and time limited some process elements could have been agreed before the first session or imposed rather than negotiated.</p> <p>C. In a complex three-session process the Core Group needed more 'content time' to focus on a more detailed analysis of the propositions and their policy implications.</p> <p>D. Sessions two and three achieve the correct process/content balance and good progress was made.</p>
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defended and a good deal of momentum was generated toward achieving the process objectives.

### **The Wiki**

Those who used the wiki felt it definitely helped the process, although not everyone joined in. A number of comments suggested that some stakeholders were unfamiliar with the format and so didn't use it or gave up quickly. One person felt there was a presumption that everyone knew how to use it. Of those who used it the consensus view appeared to be that it was useful for drafting propositions rather than debating issues.

*"It was absolutely new to most of us, but I hope it's not abandoned as it was quite useful to have something where it's all pulled together. Emails only work to a degree"*(Business rep.)

### **E-group input**

The idea of the E-group was to find a way in which a wider stakeholder group, who couldn't be involved in the Core Group, could input into and support the process. Overall the Core Group, SDC and the Facilitator team felt that the E-group's input to the process was variable and a little detached from the main focus of the process. The facilitator team commented that the E-group didn't really deliver in terms of involving people in proposition development. They had hoped it would generate its own head of steam but felt this didn't happen. Feedback from E-group members who responded to the questionnaire survey suggests that they found their participation in the process a good use of their time, some commenting that they felt their ideas and comments were picked up by the Core Group and are reflected in the final report. Strengths from the E-group perspective were the small scale and closed format of the group so the progression of the debate could be shared by all and issues explored in some depth. The time commitment wasn't extensive as the process had a clear start and end point. Weaknesses included holding onto a thread of a debate as there was often long periods between the posting of comments

E. The wiki was a useful linking tool between meetings and served to draft propositions and move things on. Not everyone was familiar with the technology, which reduced its use and therefore benefit to the process. To maximise its effectiveness everyone needs inducting into the basics of how to use this format.

F. The E-group appears to have potential to involve a wider stakeholder group in the process. To maximise its effectiveness however its specific role and remit needs to be very clear and their input to the Core Group's deliberations needs to be more tightly integrated.



and getting responses. The amount of background reading for some topic areas was seen as challenging by a number of respondents and one person suggested that being able to opt to participate in certain themes only would help this feeling of overload. The impact of the E-group was seen by its members to be variable; some comments cited the value of the range of ideas it developed from a wide variety of respondents from different backgrounds and locations. Others however didn't see its input as influential at all while one comment suggested that an endorsement of the Core Groups' ideas *"by 'the rabble' is always useful in a democratic process."*

### **Consumer discussion groups**

These were seen as having a very important function by all participants but of limited scope by some Core Group members despite the additional funding to enhance this element of the process.

Feedback from a number of sources voiced disappointment that the consumer research wasn't more extensive and more deliberative. There was no criticism of the way they were carried out by Opinion Leader but there was regret that a lot more resources were not available for this element of the project. One NGO representative cited Defra's Act On CO2 campaign and suggested that if government really wanted to understand *"what turns customers on in terms of incentivising energy efficiency"* the participative research needed to be more on that scale.

### **Relationship between the stakeholder groups – Core Group, E-group and consumer groups**

A joint Core group/consumer group event was proposed but there was not the time or budget available to do it. SDC in particular considered that this would have added depth to the work and enabled more deliberative approach rather than the broadly consultative process that was delivered.

*"Stakeholders would have got a lot out of being able to collaborate with consumers and ask, 'what if we did this,*

G. Consumer attitude and opinion was considered very important. A more extensive deliberative approach would have been valuable but was not achievable within the constraints of the project budget.



	<p><i>what if we did that?'. The propositions themselves might have been better if they had been decided on with the consumers"(SDC)</i></p> <p><b>Budget</b> The budget available limited some aspects of the work. Feedback from across different groups expressed concern and disappointment that more appropriate venues couldn't be hired, that the number of sessions available for both the Core Group and the consumer research was limited and it constrained the scope of the evaluation (a brief summative evaluation rather than formative and participative).</p> <p><i>"If climate change and sustainable development is important to the government then they should put the correct amount of money in the correct area. This doesn't seem to be happening. There's plenty of money for the Nuclear Team but not much for the Energy Efficiency team"(NGO)</i></p> <p><b>Feedback to stakeholders</b> There was some concern expressed by stakeholders that they had received no feedback to date directly from Defra regarding the degree to which the work they had undertaken was influencing the development of the Supplier Obligation. A number of Core Group members interviewed had the impression that this had been promised.</p>	<p>H. There was some frustration that the budget limited the scope of the process. Relatively small budgetary elements such as the ability to hire an appropriate and conducive venue should be addressed in future.</p> <p>I. Given the focus of the process was to influence and support the development of the Supplier Obligation a progress report back to stakeholders from Defra is a clear imperative. This will not only inform but serve to build good relationships, confidence in the process and a willingness to participate in future engagement processes. There is evidence to suggest that stakeholder perception of influence is different to that of the actual impact the process has made on policy development.</p>
<b>Facilitation/ input to Core</b>	<p><b>Quality/overall approach to facilitation</b> Positive feedback was received about the effectiveness of the facilitation</p>	<p><b>Learning points:</b> A. The facilitative input was well</p>



<p><b>Group</b></p>	<p>from all sectors.</p> <p><b>Individual tasks</b></p> <p>There was general support and appreciation of the exercises and tasks the group worked through which were considered to be useful and varied.</p> <p><i>"The facilitation was superb. Penny was very good indeed. The logistical support in terms of equipment in the room, notes of meetings, preparation before meetings, all that was excellent."</i>(Supplier)</p> <p>In particular Gavin Purchas' presentation was very well received, setting out Defra's thinking, situating the Supplier Obligation within the big picture and bringing everyone up to speed in what is a complex and technical area of policy development. A number of comments suggested that this input would have been more useful at the beginning of the process to hook people in.</p> <p><b>Practical issues</b></p> <p>Budget limitations meant that a venue had to be sourced internally rather than seeking a more conducive space for the workshops. Facilitators, SDC and some participants raised this as an issue. There were small frustrations around limited circulation space, the room being crowded, tables being too big etc. This did, according to the facilitator team, impact on the quality of the sessions.</p> <p>The facilitators deliberately mixed up participants for some exercises to ensure a mix of different perspectives were brought to a particular issue. Despite this there was stakeholder feedback suggesting that they would have welcomed more deliberate mixing of people and sectors so that they could get to know different people and hear different points of view.</p> <p>The balance of participation wasn't even, with some people/sectors inputting more than others. This perhaps reflected differential levels of</p>	<p>received and of high quality.</p> <p>B. The scene setting presentation, re. Defra's policy position and current thinking, that took place in the third session would have been more impactful and useful to the process if it had been programmed for the first meeting of the Core Group.</p>
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	<p>knowledge about the subject matter and where different interests and expertise lay in the discussion topics. For example, feedback from the Ecology Building Society representative suggested that at the beginning of the process there was not much he could contribute as financial models first need outputs onto which a financial analysis can be applied. The facilitator team also fed back that the wide-ranging mix of people and knowledge areas didn't quite work as creatively and as excitingly as they had hoped.</p> <p><b>Being understood and hearing others</b>  Overall Core group members felt they could get their points across to each other and they could hear and understand others' perspectives. A number of participants knew each other already and meet regularly at various forums related to energy. A number of comments however suggested that the nature and format of these meetings was quite different in that the facilitated/consensual style allowed for a different type of relationship to be developed and a better exploration of the issues.</p> <p><i>"Useful to be part of a group where the energy supply companies, government and academics are all working on the same policy area and toward the same goals" (NGO)</i></p> <p><i>"The discussion was good and good to see different perspectives and a challenge to ones own views." (Supplier)</i></p> <p><i>"We've never been able to sit in the same room together outside Government Office. Quite unique to have a facilitated process" (NGO)</i></p>	<p>C. Participants welcomed the facilitative process and the more explorative style of meetings. It enabled a different, less combative style of communication than often occurs when different sectors meet around these issues.</p>
<b>People and Attendance</b>	<p><b>Representation</b>  There was a general feeling that there was a good mix of stakeholders represented. A number of interviewees were impressed and pleased at the good representation from energy suppliers. If the budget had been bigger</p>	<p><b>Learning points:</b>  A. The breadth of stakeholders participating from different sectors was a key strength of</p>



	<p>it may have been possible to bring a broader group of core stakeholders together.</p> <p>The drop out after the first meeting was disappointing and the sending of substitutes did affect continuity to some extent.</p> <p><i>"One organisation sent three different people, one to each meeting and so you lack that continuity to develop relationships and to collaborate" (SDC)</i></p> <p><i>"Sometimes the substitutes hadn't been well briefed and one in the last meeting wasn't really the right person and said they couldn't say yes or no on behalf of their organisation" (facilitator team)</i></p> <p><b>Non-attendance and substitutions</b></p> <p>The non-attendance and substitutions caused some difficulties for the core group but certainly frustrations from the point of view of the facilitator team. Only 5 people out of 20 attended every meeting. There was also some concern that Defra wasn't represented throughout. It was felt this gave the wrong impression and having the decision maker in the room was important.</p> <p>Many people fed back that there were multiple demands on people's time and many of the supplier organisations had already been consulted extensively by Defra. Also, around the same time and some on the same day, other government departments were holding consultative events on similar themes. There was some speculation whether stakeholders would prioritise direct contact with government over arms length consultation through SDC. The facilitator team wondered if it may have been better to raise the profile of this event to move it up the pecking order a little. For example, have the initial invitation go out from Jonathon Porritt.</p> <p><b>Level of knowledge</b></p>	<p>sectors was a key strength of the process.</p> <p>B. Agreement on attendance requirements and substitutes need to be very clear to all before agreeing to participate.</p> <p>C. Better awareness of other consultation activities going on across government, involving the same people on similar topics, may have helped avoid timetabling clashes.</p> <p>D. Defra's attendance requirement should have been specified and agreed at the start of the process.</p> <p>E. Given the engagement process was arms length from government, it is important to consider how the perceived status and profile of an SDC</p>
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	<p>There was some imbalance in knowledge; given the technical and complex nature of the topic the energy suppliers tended to know more about the policy development process and the complexity around the different structures that might be applied to the market. This was challenging for the process to address given the short contact time. Those who took up the offer of pre briefing phone call with SDC to bring individuals up to speed were very positive and felt it made a real difference. It was suggested that this could have been used more proactively by making this phone call an integral part of the process. There were perhaps people who didn't take it up as they were reluctant to admit they were not already familiar with the issues and policy environment. SDC feel that the complexity of the issue might have been slightly underestimated.</p> <p><b>Relationships</b></p> <p>There was broad feedback that relationships were good and improved as the process developed. The smaller group size of the final two meetings may have assisted the development of an ease with each other and a building of trust. People appreciated the opportunity for cross sector dialogue that didn't have the usual combative tone (particularly between the NGOs and the supplier organisations). There was some mention of tension over issues such as Kingsnorth Power Station, which made one stakeholder question the commitment of some of the supplier companies, but in general relationships were good. SDC felt that the stakeholder group appreciated the opportunity to directly input into Defra's policy development around the Supplier Obligation. Again, feedback from all sectors suggested that a little more contact time would have been beneficial to both relationship development and outputs.</p> <p>Feedback suggested the process brought NGOs closer to government and supply companies closer to NGOs. Relationships were also developed for initiatives beyond the meetings. For example, the Ecology Building Society cited "<i>enormous value</i>" in developing a contact and potential working relationships with one of the NGOs represented.</p>	<p>process could be enhanced.</p> <p>F. More proactive pre process briefings of stakeholders may have enhanced participation and the effectiveness of stakeholder input by ensuring that everyone had a minimum baseline knowledge and understanding of the issues, relevant technical points and the broader policy environment.</p> <p>G. New relationships and contacts were developed, some of which will be sustained beyond the process.</p>
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Impact		
Purposes achieved	<p><b>Aim and objectives achieved</b></p> <p>As noted above, the written process objectives focussed mainly on quantifiable outputs although there were certainly a number of more qualitative outcomes that were equally important drivers of the engagement process. For example, exposing Defra to a quality engagement process and influencing the department to opt for similar broad based engagement in future seemed of particular importance.</p> <p><i>"If Defra takes forward the engagement than the project has been worth it". (SDC)</i></p>	
	<p><b>Development of a number of propositions</b></p> <p>This objective was achieved. Core Group participants largely appeared to understand the status of the propositions produced and accepted the intermediary role of SDC in terms of framing and finalising them for presentation to Defra. There wasn't a hugely high standard of consensus demanded by the process, rather the task was to develop an understanding about where there was and wasn't agreement. Feedback would suggest however that there wasn't complete clarity about the level of agreement needed for a proposition to go forward and there was some discussion about this in the third meeting.</p> <p>There was a diverse range of feedback about the quality and focus of propositions from the Core Group, SDC, Defra, facilitator team and The E-group. Some participants thought the propositions were strong while others considered them weak. There were comments that suggested the final propositions were what they would have expected while others thought that they should have been more focussed on what the Supplier Obligation is likely to look like and what consumers would find acceptable. This particular point appears important as a number of Core Group participants, from different sectors, stressed the importance of testing the propositions against consumer acceptability. Indeed it was suggested by</p>	<p>A. Although stakeholders were pleased that a set of propositions had been achieved and were being used by Defra to develop the Supplier Obligation there were mixed views about the quality and relevance of these propositions.</p>



one person that the propositions reflected responses to consumer barriers rather than more circumspect reflection/deliberation around a range of propositions and possible measures. This perhaps reflects the market research nature of the consumer research and the inability to fund a more deliberative session between Core Group members and consumers. One comment suggested that the propositions that emerged were more a collection of initiatives that the Core Group would like to see happen rather than developments that would achieve consumer support. For example, one Core Group member suggested that Smart Metering was likely to happen anyway and would therefore be outside the Supplier Obligation while initiatives such as Dynamic Demand, Micro Generation and Community Generation were seen to be of minority interest.

*"Some things were more left field and given the consumer response it's not very likely that they will go forward"*  
(NGO)

*"I felt that some of the propositions weren't relevant to the exercise. We were looking for things that the energy companies could put to consumers within the bounds of the Supplier Obligation. Some propositions just didn't seem to fit the bill".* (Business rep)

There was also some feedback that the lack of time meant that some of the propositions went forward without a proper understanding of the detail while others were rejected too early in the process and would have deserved a more detailed discussion later on.

*One of the propositions was framed incorrectly around equity release. It gave the wrong impression to the consumer panels and I didn't realise until the feedback came back"*(Business rep).

*"I put forward a proposition for setting up low carbon*

B. The quality and relevance of propositions may have benefited from having the time to more fully debate their pros and cons and policy implications.



	<p><i>zones but they tried to merge that with this fairly bizarre community generation thing and it was like trying to put together chalk and cheese. A number of us fed that back to them, saying this isn't working, these are two very different concepts so the low carbon zones got jettisoned and the community energy one kept in. I thought that this was a fairly peripheral thing that could happen under the Supplier Obligation" (NGO)</i></p> <p><i>"Some propositions got eliminated early on that I thought had some value to them. There needed to be a chance for things that had been eliminated to be thrown back into the mix as I felt some things were dropped prematurely. People's understanding also grew during the process so some coming back in towards the end might have been considered differently". (Business rep).</i></p> <p>Given that the process was of limited duration there was some concern expressed that the propositions, rather than being the best that could have been achieved were the lowest common denominator of propositions that everyone could see as being sensible. Some E-group comments called for more holistic thinking by government, rather than considering individual measures, to develop a broader supply strategy based on a review of the regulation of suppliers, delivery of social obligations, energy efficiency and an expansion of renewables and micro generation.</p> <p><b>Understanding how suppliers might collaborate with others to reduce carbon emissions</b></p> <p>Feedback suggests that understanding was certainly being developed although not as fully as it might have been.</p> <p><b>Consumer response</b></p> <p>This was explored through the discussion groups around the country. The methodology was designed to be market research rather than a more</p>	<p>C. Stakeholders would welcome more extensive consumer</p>
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	<p>deliberative approach. Some doubt was expressed as to how much attention was focussed on vulnerable groups, which were cited as important in the objectives. There was also concern raised about the limited scope of the consumer research given the importance of the project. Two NGOs and an academic institution, who were part of the Core Group, accessed additional funds from their own resources to extend this research. Both NGOs interviewed expressed surprise and concern that none of the supplier organisations offered any additional funds.</p> <p><b>Understanding the pros and cons of each proposition</b> The group didn't manage to spend a lot of time on this objective. The group were encouraged to focus on what the propositions meant rather than the pros and cons.</p> <p><b>The policy implications of the findings</b> It was recognised across all respondents that more time was needed to work on this objective.</p>	<p>research. A more deliberative approach may provide insightful perspectives, and, if resources allowed, bringing key stakeholder organisations together with consumers would potentially be very valuable in terms of creatively developing workable propositions.</p>
<b>Value to participants</b>	<p><b>Value for the time invested</b> There was general consensus that the process had been a good value for the time invested, having noted that the first session had too much focus on process. The tight focus of the project on the Supplier Obligation was appreciated as well as the shift in relationships between participants and sectors. The collaborative approach was enjoyed.</p>	<p><b>Learning points:</b> A. Overall Core group members valued the time they spent participating in the process.</p>
<b>Value for Defra</b>	<p><b>Impact on policy development</b> There was broad agreement that the propositions are more likely to make an impact on Defra's policy development process due to Gavin Purchas moving from SDC to the Defra policy team responsible for the Supplier Obligation. Gavin himself fed back that the work on the propositions is having a "<i>massive influence</i>" especially in developing the detail of the policy work. Both SDC and the facilitator team considered that Defra would be particularly interested in the consumer research, which may influence thinking on what sort of business models might work. Feedback</p>	<p><b>Learning points:</b> A. Defra is making good use of the findings of the process and the propositions are supporting the Supplier Obligation policy development. B. As mentioned above, it is imperative that Defra provides</p>



	<p>from The Core Group was mixed; there was unanimous desire and an expectation that the work should have influence but some doubt about the impact it would make. The stakeholder group, having not received any feedback directly from Defra, compounded this mixed view.</p> <p><b>Influence on future stakeholder engagement processes</b>  Defra itself considers the model of engagement (core stakeholder group and consumer testing) to have been very influential and states that it is now being used across a range of other initiatives and taken up by other government departments. It has also, according to Defra, highlighted the need and benefits to consult across a wide range of stakeholders in the development of policy. Other stakeholders interviewed back up this analysis, citing the development of trust with key stakeholder to be crucial in policy development around complex and contentious areas. It was felt by the facilitation team that policy development, which demands counterintuitive measures, such as asking suppliers to sell less energy, can only be successfully worked out if the key players are engaged as policy develops.</p> <p><i>"I think stakeholder engagement is absolutely critical in a situation like that where you are trying to get people to do something quite different to what they've done in the past. They need to be committed to it and engaged with it and be sure that no one is going to make a big cock up in the way they do the policy framework"</i>(facilitator team)</p> <p>Other stakeholders highlighted the importance of engagement in tackling the breakdown of trust between suppliers and consumers, the suspicion around new measures (such as long term contracts, dynamic demand, incorporation of renewables) and issues such as the perception of consumers that they are doing all they can already to be energy efficient. These are difficult and sensitive issues to work through and a sensitive and skilled engagement approach can help initiate conversations around</p>	<p>feedback to stakeholders re. the worth of their work.</p> <p>C. The model of engagement is supported by Defra and it is applying it to other engagement initiatives.</p> <p>D. The process has influenced Defra's willingness to include, consult and engage stakeholders in its policy development when addressing complex, multi position issues.</p>
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	these topic areas.	
<b>Next Steps</b>		
<b>Next steps</b>	<p>Across the board there was strong support and appreciation for SDC and Defra in adopting and running with this style of engagement. Most stakeholder feedback suggested that individuals and organisations would be enthusiastic participants if asked to engage in similar processes in future. A number of comments reflected a desire for there to be more engagement on the Supplier Obligation as it develops towards its implementation. There was some concern that these processes are one offs and the impact of the engagement is never known. One comment suggested that Defra was perhaps not maximising the value of the Core Group. If it was retained as a standing consultative group it could potentially offer significant value as the process proceeds.</p> <p>Defra itself considered this to have been a really good process but would prefer to run future processes itself to enable the policy maker to exert more control and ensure that there was less separation of the stakeholders from direct communication with government. Engagement processes would however still be designed and run by independent facilitators.</p>	<p>A. There is strong support among stakeholders for this style of engagement on policy issues. All participants interviewed would be willing to engage on a similar basis in future.</p> <p>B. There is a need to dispel the views of some stakeholders that these types of processes are one off and not impactful. There appears to be genuine impact in this process but stakeholders need to be kept in the loop and informed of the worth of their input.</p> <p>C. There is considerable demand to maintain an engagement with Defra as the Supplier Obligation process proceeds.</p> <p>D. Defra favours running subsequent engagement processes directly rather than working through intermediary organisations like SDC.</p>



## Appendix 1.

### Evaluation framework – Supplier obligation process

Broad evaluation areas	1. INPUTS	2. PROCESS DESIGN AND DELIVERY	3. OUTPUTS	4. OUTCOMES
<b>Key success indicators</b>	<p>The Core Stakeholder group were the right people to participate in these sessions.</p> <p>Desired outputs and outcomes are clear and agreed.</p> <p>Parameters to the scope of the process are stated, understood and agreed by all. (e.g. what can and can't be discussed, limitations on delivery, influence the findings will have etc.)</p>	<p><b>Degree to which participants feel they were heard and understood.</b></p> <p>High rating by participants of the quality of facilitation</p> <p>High rating by participants of the impartiality, integrity and transparency of the process</p> <p>Relative influence / power of stakeholders and access to information taken into account in process design</p> <p>Process enables stakeholders to engage in quality deliberation about the relevant issues.</p> <p>Appropriate engagement methods selected and used.</p> <p>All practical arrangement appropriate and of a high quality – timings, venues, catering, communication etc.</p>	<p>Propositions developed with stakeholders</p> <p>Consumers involved in responding to propositions</p> <p>An understanding developed of how suppliers might collaborate with others to reduce domestic energy use.</p> <p>An understanding of how the core group's proposals may affect vulnerable groups and what further information and development is needed. A clear understanding of the pros and cons of each proposition.</p> <p>Stakeholders views are known about the policy implications of the findings.</p>	<p><b>Degree to which propositions / messages from the Core Group / consumer research have influenced / likely to influence Defra's policy development.</b></p> <p><b>Quality of the propositions / messages</b></p> <p><b>Space was opened up for innovative solutions and proposals.</b></p> <p><b>The process has encouraged Defra to consult with a broader range of stakeholders as the development of the Supplier Obligation proceeds</b></p> <p><b>That participants feel that the sessions have been good value for the time they invested.</b></p> <p><b>The process has succeeded in sharing understanding of each others' needs, wants and opinions – i.e. building relationships.</b></p> <p>There is now increased willingness to collaborate.</p> <p>The extent to which unanticipated outcomes</p>



		The time between core group meetings was used to good effect – the wiki.		<p>have been achieved and the value of these.</p> <p>There is clarity re. how the findings will be used and what impact they have had.</p>
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## Appendix 2.

### Evaluation of supplier obligation process

#### Phone interview questions (semi-structured conversations) – SDC and Facilitators

Question	Prompts / follow on
Do you think the project met its aims?	
1. Do you think the correct people and organisations were involved?	If not why not?
2. Was it clear from the start what the group was being asked to achieve?	
3. Were you happy with the facilitated process?	<p>Was the information sufficient, appropriate and equally available to participants?</p> <p>Were trust and relationships built within the group? How was this achieved?</p> <p>To what extent do you feel the sessions allowed participants to communicate honestly and be listened to and understood?</p> <p>How were differences in power / influence addressed?</p> <p>Do you feel the group built consensus in the propositions / messages it developed?</p>



	<p>Were the goals achieved?</p> <p>Any other strengths / limitations?</p>
4. Do you think the propositions and messages that were agreed were good quality?	<p>Was there the opportunity / space to develop innovative solutions and proposals?</p> <p>Why do you say this?</p> <p>From your perspective was there anything missing?</p>
5. To what extent do you think the propositions / messages from the core group and the consumer research are likely to influence Defra's policy development around the Supplier Obligation?	Is there clarity about how the group's propositions will influence Defra?
6. Do you think that this process will encourage Defra to consult with a broader range of stakeholders as the process proceeds?	Is this important?
7. Is there anything else you would like to add about the sessions or how engagement on the Supplier Obligation process should develop?	



## Appendix 3.

### Evaluation of Supplier Obligation process

#### Phone interview questions (semi-structured conversations) – Core Group

Question	Prompts / follow on
1. Was the process a good use of your time?	If so, why?  If not why not?  Was it clear from the start what the group was being asked to achieve?
2. Did you feel others listened to you and understood what you were saying?	
To what extent were you able to understand others' perspectives and work with them?	Were relationships built within the group?  Do you feel the group built consensus in the propositions / messages it developed?
3. What do you think were the strengths and the limitations of the process?	Duration?  Resources?  Information?



	Facilitation?
4. Do you think the propositions and messages that were agreed were good quality?	<p>Was there the opportunity / space to develop innovative solutions and proposals?</p> <p>Why do you say this?</p> <p>From your perspective was there anything missing?</p>
5. To what extent to you think the process is likely to influence Defra's policy development around the Supplier Obligation?	Is there clarity about how the group's messages will influence Defra?
6. Do you think that this kind of engagement process is a helpful way for Government to develop policy?	Is this important?
7. Is there anything else you would like to add about the sessions or how engagement on the Supplier Obligation process should develop?	



## Appendix 4.

### Evaluation of supplier obligation process

#### E-questionnaire – E-group

Question	Instructions
1. Was your participation in the e-group a good use of your time?	Please explain why or why not?
2. Was it clear from the start and throughout the process what the role of the e - group was and what it was being asked to achieve?	
3. From your perspective what do you think were the strengths and the limitations of the process?	
4. Do you feel the e-group's work was influential in supporting the Core group in its deliberations?	To what extent do you feel your comments were taken on board?
5. To what extent were innovative solutions and proposals were developed?	If so, why  If not, why not
6. Do you think the propositions and messages that were finally agreed by the Core group were the best that could have been achieved?	If so, why  If not, why not  From your perspective was there anything missing?



7. To what extent do you think the propositions / messages are likely to influence Defra's policy development around the Supplier Obligation?	Is there clarity about how the group's propositions will influence Defra?
8. Do you think that this process will encourage Defra to consult with a broader range of stakeholders as the process proceeds?	Is this important?
9. Is there anything else you would like to add about the e-group, whole process or how engagement on the Supplier Obligation process should develop?	



## Appendix 5.

### About Icarus.

Icarus specialises in **planning, doing** and **evaluating** stakeholder engagement. We make sure that everyone who needs to be involved in a decision, issue, strategy or plan will have their voice heard and can actively participate in the process. We also undertake **training** to pass on our expertise.

Icarus gets people talking.

Report author: Steve Smith, Icarus Collective.

[www.icarus.uk.net](http://www.icarus.uk.net)

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