

The Smart Meter Central Delivery Body in 2014

Introduction

The Smart Meter Central Delivery (SMCDB) started operations in Summer 2013. In December of this year we published our consumer engagement plan, which sets out the overall approach that our organisation will take to designing and delivering consumer engagement activity over the period of the smart meter roll-out programme to 2020.

In producing the consumer engagement plan, the SMCDB has started dialogue with a number of stakeholders who will be vital to the future consumer engagement task. In 2014 it will be important that we build on this early engagement with stakeholder groups, building knowledge of smart meter benefits and answering key questions about the roll-out programme. Our stakeholder consultation events in 2013 were very valuable in securing inputs into our plan. They provide a model, albeit one to be further refined and developed, for more events throughout 2014, as we want to secure stakeholder input into plan implementation.

Similarly, the SMCDB undertook consumer research which fed into the narrative at the heart of our consumer engagement plan. But the need to develop this to greater depth (through both qualitative and quantitative research) as we enter 2014 and then through the lifetime of our work is also clear. In 2013 we also benefitted from DECC's tracker research, but this will shortly cease under DECC's auspices and in 2014 the SMCDB will need to take on responsibility for continuing and further developing consumer tracker research.

In 2013 we established the initial infrastructure of the SMCDB as an organisation, moving into a small office in Kirby Street, Farringdon and started recruitments to our staff team. In 2014 we will need to continue this work, and build the infrastructure of an organisation capable of delivering national consumer engagement during the period of smart meter mass roll-out.

We shall be formally reporting on our 2013 activities in our Annual Report on 2013, which we will publish before 1 April 2014. You can see more about the SMCDB at our website www.smart-meter.org.uk.

Activity in 2014

The SMCDB Board has considered the focus and scale of activity that the organisation should carry out in 2014, consistent with the currently understood smart meter roll-out timetable and our objectives. As a reminder, those objectives are:

In respect of energy consumers at domestic premises and, where it is cost effective, also to microbusiness energy consumers to:

- *Build consumer confidence in the installation of smart metering systems by gas and electricity suppliers;*
- *Build consumer awareness and understanding of the use of smart metering systems;*
- *Increase the willingness of energy consumers to use smart metering systems to change their behaviour so as to enable them to reduce their consumption of energy;*
- *And, to assist consumers with low incomes or prepayment meters, or consumers who may encounter additional barriers in being able to realise the benefits of smart metering systems due to their particular circumstances or characteristics, to realise the benefits of smart metering systems while continuing to maintain an adequate level of warmth and meet their other energy needs.*

Focuses of SMCDB activities in 2014 agreed by our Board will include:

- **Development of more detailed implementation plans:** Whilst the consumer engagement plan provides the valuable first framework setting out the SMCDB's approach, we need to develop more detailed plans that give a fuller, year by year view of the SMCDB's intended activities.
- **Consumer research:** We will undertake further qualitative and quantitative consumer research to inform the plans set out above. Within those plans we will also define the on-going programme of consumer research, and the detail of how we will assume responsibility for tracker research after the completion of the last DECC tracker wave.
- **Team development:** We will use 2014 to build up the SMCDB team to the internal delivery capacity that we will need as we increasingly implement proactive consumer engagement, especially in the year leading to the start of mass roll-out.
- **Brand development:** We will work to develop the brand and campaign identity for the smart meter programme's consumer engagement, and the key assets that will be used throughout the engagement programme. We will follow a best practice process to develop these creative assets, involving consumers and consulting with stakeholders. The overall aims of the brand development project are set out in the consumer engagement plan.
- **Development of our creative framework:** We will develop the overall creative approach that will then be used to run through future SMCDB marketing campaigns. This will need to be a creative approach suitable for the wide range of multi-channel and partnership marketing activities that we will be implementing.

- **Stakeholder outreach programme & consultation events:** One of our most important areas of activity in 2014 will be pro-active engagement with a range of stakeholders across the three nations and the development of a programme of events to update broad groups of stakeholders on our activity; and also to consult on/co-create, specific areas of implementation.
- **Website:** We will design and build the CDB's long-term website, moving on from our current interim site.
- **Audit & production of annual report on 2013 activities:** having engaged Crowe Clark Whitehill as our auditors, we will complete the audit of 2013 accounts, whilst simultaneously preparing our first Annual Report for publication by the deadline of 1 April 2014.
- **Media outreach & monitoring:** We will proactively reach out to commentators and opinion formers in on and offline media. We will also continue with social and traditional media monitoring to further inform our understanding of the issues that are in public debate so as to best design our communications to meet public demand.
- **Engagement pilots & contact centre planning:** We are working with energy suppliers to plan potential pilot activity to test the effectiveness of consumer engagement methods. In 2014 we will work in detail on plans for such pilots. We will also explore demand for consumer direct contact services, and the best option to deliver against that demand.

The SMCDB Board has set out a budget, summarised below, for 2014.

Item	£
SMCDB fixed operating costs	
Office rental	226,000
Internal infrastructure build	67,000
Staff costs (inc NI & other taxes)	1,789,745
ICT, software licences, travel, office sundries	209,000
Translation services	60,000
Audit, tax & legal services	96,000
Total fixed operating costs	2,447,745
SMCDB capital costs	
Media monitoring	72,000
Subscriptions	36,000

Annual report production	75,000
Brand & collateral development	260,000
Channel planning & strategic planning support	295,000
Creative development	770,000
Consumer research	500,000
Stakeholder communication & events	295,000
Website development	180,000
Media communications	434,800
Pilot planning & consumer contact demand planning	320,000
Total capital costs	3,237,800
Contingency (split proportionately between fixed operating costs and capital costs)	426,455
Total 2014 budget	6,112,000

December 2013