Code administrators performance survey

System Operator-Transmission Owner Code (STC)

National Grid Electricity Transmission plc

Introduction

As part of its 2016 Code Governance Review Final Proposals (Phase 3) (CGR3), it was concluded that Ofgem should commission a standardised cross-code study to monitor and assess the performance of Code Administrators in their role in respect to each code that they administer.

The first study was conducted in 2017 and intended to evaluate the service provided by Code Administrators in accordance with the principles of the Code Administration Code of Practice (CACoP) which aims to align processes across the industry codes and identify areas of best practice.

The study was not intended to take account of the relative funding of the Code Administrators (CA), or whether they offer value for money.

In 2018, the study has been repeated to monitor performance and identify any developments. Specifically, the survey has been developed to:

- **Identify:** Organisations' interaction with codes and CAs; including awareness of CA responsibilities, confidence in dealing with codes, and expectations of the service which Code Administrators should be providing

- **Measure:** Overall performance of CA on key metrics, including overall satisfaction, support, communications and modification process

- **Assess:** Specific aspects of service delivery, including email, websites, meetings and accession process.

Method

A mixed mode programme of research was conducted with organisations interacting with industry codes consisting of:

- A total of five depth interviews to inform questionnaire design (14-20 Feb 2018)

- A core survey with 216 participants to measure experience and performance of code administrators – **19 participants answering about the STC** (27 Mar – 11 May)

- 25 follow-up depth interviews to get an understanding of drivers of satisfaction/dissatisfaction (18 May – 20 Jun)

Throughout the report, results are shown:

At a total level (aggregated results for all codes)

At a total for the STC (due to small base sizes, results are not broken down by subgroup)

Quotes from respondents included in the report and are not intended to be representative of the range of views, but rather offer a range of opinions, feedback and suggested improvements

*Where base sizes are small, this is shown by an * for bases less than 30 and ** for bases less than 15. This indicates that the data should be treated with caution.*

Industry context

Organisations still acknowledge that codes are inherently difficult to navigate with some more technical than others. While the environment is challenging:

- Organisations do expect the governance of codes to be stringent
  - o They believe that this is essential as it protects business, and smaller organisations in particular
- There is recognition that complexities associated with an individual code impact the way each code administrator operates

Perception that Ofgem could play a much bigger role in providing guidance and protection for business; this is driven by a view that the market does not always lend itself to a level playing field:

- o Concerns around some businesses submitting tactical modifications for their own commercial gain
- o View that smaller organisation more likely to be impacted as they have limited resource for personnel to attend meetings and to raise such modifications

Executive summary – STC

Overall ratings for National Grid in relation to the STC are mixed:

- o Around six in ten are satisfied with the overall service offered on relation to the STC

- o One in five feel that the service provided in relation to the STC has improved in the last year

- o There are high levels of satisfaction around the support offered to organisations and that received when organisations request it in relation to the UNC

- There are some aspects of service that organisations are dissatisfied with:

- o One in ten feel the service has got worse in the last year

- o Just half feel satisfied with the ease of interpreting information

- o The website is perceived as not delivering well on aspects of service, particularly ease of finding information

Organisation profiling

The level of expertise organisations have to deal with codes remains consistent with 2017. It is encouraging that there is a positive directional improvement around availability of resource.

The means to deal with the codes and their requirements is linked to the size and experience of the company. However, compared to 2017, smaller businesses are reporting greater confidence in their ability to deal with codes.

ORGANISATION'S SIZE

	No. of employees			
	0-49	**50-249**	**250-999**	**1,000+**
Total (216)	18%	16%	14%	47%
STC (19*)	21%	11%	11%	47%

ORGANISATION'S ENERGY MARKET EXPERIENCE

	0-5 years	**6-9 years**	**10+ years**
Total (216)	16%	6%	76%
STC (19*)	16%	0%	79%

*Low base

SUFFICIENT ORGANISATIONAL EXPERTISE TO DEAL WITH CODES

					NET: Agree	
					2018	**2017**
Total (216)	49	37	7	6	**86**	**85**
STC (19*)	37	47	11	5	**84**	**91**

■ Strongly agree ■ Tend to agree ■ Neither/nor ■ Tend to disagree ■ Strongly disagree ■ Don't know
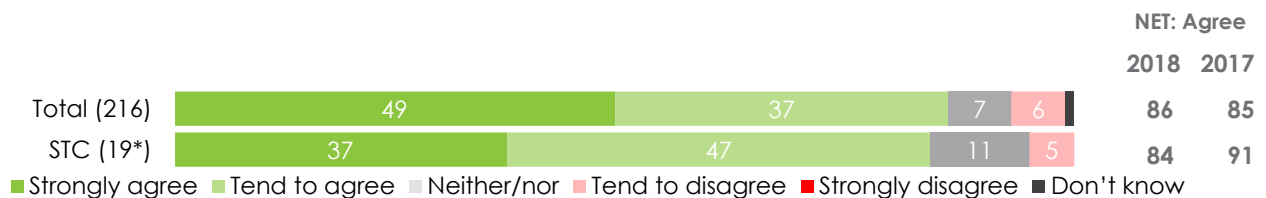
*Low base

Q1. To what extent would you agree or disagree that your organisation has sufficient expertise to enable you to deal with the codes you are responsible for or interact with? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

ORGANISATION'S RESOURCE

						NET: Agree	
						2018	**2017**
Total (216)	32	38	9	15	4	**70**	**64**
STC (19*)	26	37	16	16	5	**63**	**45**

■ Strongly agree ■ Tend to agree ■ Neither/nor ■ Tend to disagree ■ Strongly disagree ■ Don't know
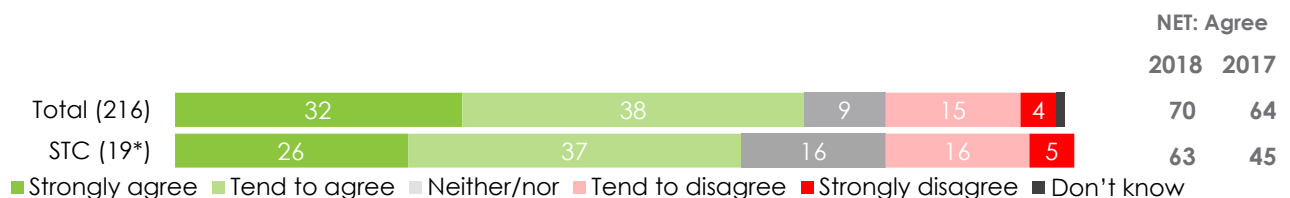
*Low base

Q2. And to what extent would you agree or disagree that you have enough resource within your organisation to sufficiently deal with the codes you are responsible for or interact with? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

Staff turnover is perceived as an issue by some customers.

"Staff turnover causes problems."

Key findings

The survey collected four wide measures of satisfaction:

1. Perceived improvements from service received in the last year (new for 2018).

2. Overall satisfaction with the service provided to their organisation.

3. Satisfaction with the provision of support.

4. Satisfaction with support received when requested.

The National Grid is perceived as performing well in places, however there are some areas highlighted as in need of attention. Around six in ten say they are satisfied with the provision of support from National Grid in respect of their interactions with the STC.
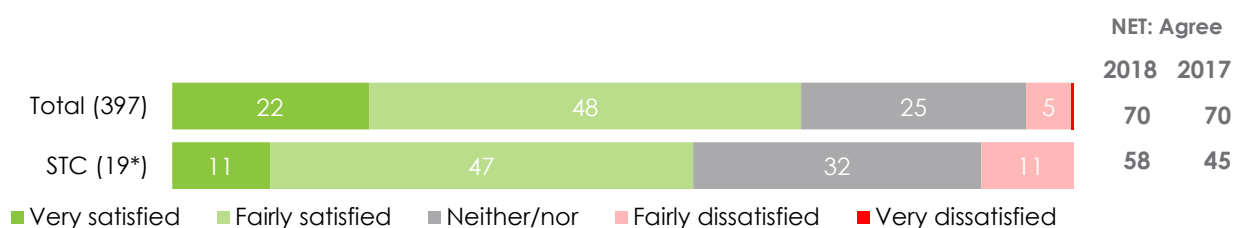
PERCEIVED IMPROVEMENT

A high proportion of organisations feel the service received in relation to their code has not changed (57%). For STC, 58% feel it has remained unchanged; encouragingly, 21% indicate that the service has improved over the last year.

NET: Improved

							2018
Total (397)	5	12	57	4	1	21	17
STC (19*)	16	5	58	5	5	11	21

■ Improved a lot ■ Slightly improved ■ Has not changed ■ Slightly worsened ■ Worsened a lot ■ Don't know

Q29b. Thinking about the service that you have received in relation to the <code> in the last year, would you say it has improved, remained the same or got worse? (number of respondents in brackets) (results in %)
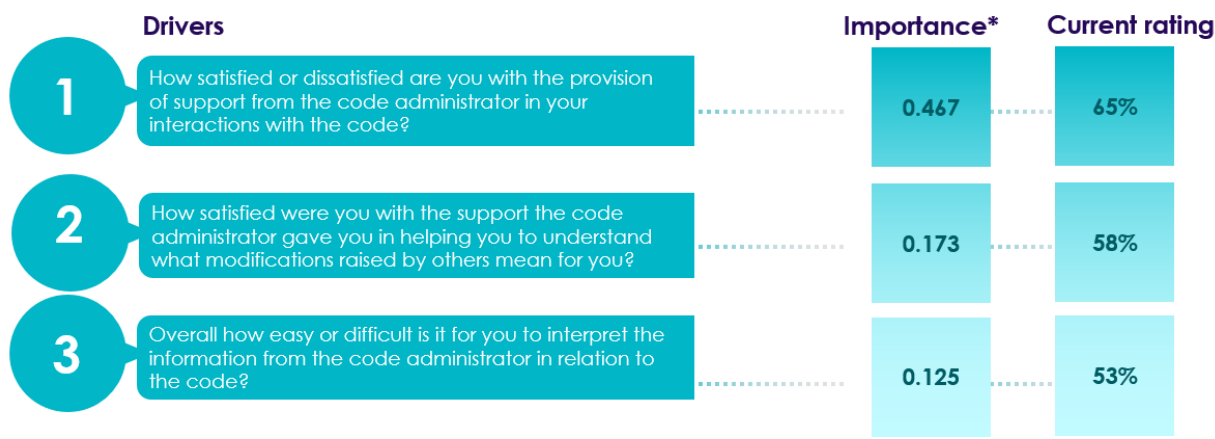
OVERALL SATISFACTION

At an all code level, seven in ten say they are satisfied with the service provided by their Code Administrator. Organisations who interact with the STC are split in their opinion of National Grid's administration, around six in ten (58%) are satisfied with the service that the National Grid provide in relation to the STC, 32% are neutral and 11% dissatisfied.

NET: Agree

					2018	2017
Total (397)	22	48	25	5	70	70
STC (19*)	11	47	32	11	58	45

■ Very satisfied ■ Fairly satisfied ■ Neither/nor ■ Fairly dissatisfied ■ Very dissatisfied

*Low base

Q10. Thinking about all aspects of your dealings with the code administrator in relation to <this/these> codes, overall how satisfied are you with the service provided to your organisation? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

To understand the aspects of service delivery that most impact overall satisfaction, key driver analysis (KDA) was conducted.[1] The aspects of service that have the greatest impact on overall satisfaction are:

	Drivers		Importance*	Current rating
1	How satisfied or dissatisfied are you with the provision of support from the code administrator in your interactions with the code?		0.467	65%
2	How satisfied were you with the support the code administrator gave you in helping you to understand what modifications raised by others mean for you?		0.173	58%
3	Overall how easy or difficult is it for you to interpret the information from the code administrator in relation to the code?		0.125	53%

* The importance value will always have a value between -1 and +1, where, a large positive correlation means two ratings 'move together' and a negative correlation means the ratings move in the opposite direction. A correlation of 1 means an exact linear relationship (i.e. everyone gives the same rating for overall satisfaction as for provision of support.)
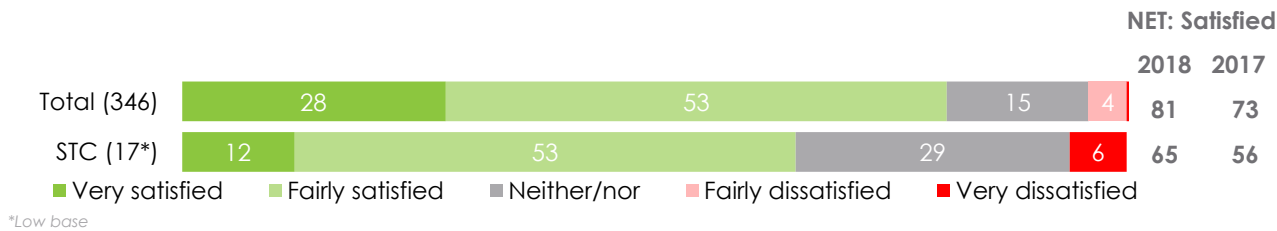
Due to the small base sizes, it is not possible to identify the key drivers for individual codes. The importance scores above are based on the combined total for all codes and the current rating is specific to the STC.

At an overall level, the three key drivers of satisfaction continue to be around support and information. There are opportunities to improve service around two of the three key drivers. With service improvements to these core areas, it is likely that there will be a positive lift in reported overall satisfaction.

SATISFACTION WITH PROVISION OF SUPPORT

More generally, Code Administrators are perceived as having improved the provision of support to small businesses from the previous year. There is a significant increase in reported satisfaction from 2017; smaller organisations tended to be less satisfied than larger organisations. It is however worth noting that although the gain for the smaller organisations is highly significant, larger organisations still report greater satisfaction.

Two thirds of organisations are satisfied with the provision of support from National Grid, though a large proportion feel neutral about the provision of support.

						NET: Satisfied	
						2018	2017
Total (346)	28	53		15	4	81	73
STC (17*)	12	53		29	6	65	56

■ Very satisfied ■ Fairly satisfied ■ Neither/nor ■ Fairly dissatisfied ■ Very dissatisfied
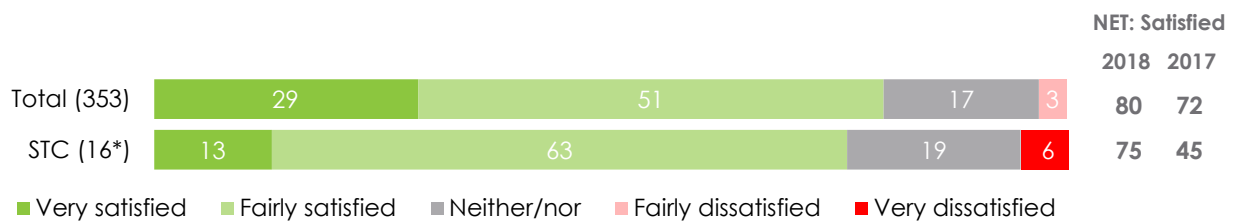
*Low base

Q11a/Q11c. How satisfied or dissatisfied are you with the provision of support from the code administrator in your interactions with the <code>? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

"I am involved in a number of working groups associated with the STC, they provide excellent collaboration."

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[1] KDA tests the strength of the correlation between ratings of core metrics against perceived level of satisfaction by which we can derive which factors have the greatest impact on overall attitudes – this is a subconscious measurement rather than a stated level of importance.

SATISFACTION WITH SUPPORT RECEIVED WHEN REQUESTED

Experience of the code plays the greatest part in influencing perceptions of support received when directly requesting it from Code Administrators. Three-quarters of organisations are satisfied with the support they receive from National Grid when they request support in relation to the STC. Although we are unable to directly compare with 2017 (due to low samples), the increase seen in 2018 is notable.

	NET: Satisfied	
	2018	**2017**
Total (353): 29 / 51 / 17 / 3	80	72
STC (16*): 13 / 63 / 19 / 6	75	45

■ Very satisfied ■ Fairly satisfied ■ Neither/nor ■ Fairly dissatisfied ■ Very dissatisfied

*Low base

Q13/Q13b. And when you request support from the code administrator in relation to the <code> how satisfied or dissatisfied are you with the support you receive? Base: All responses for those involved with code (number of respondents in brackets) (results in %)
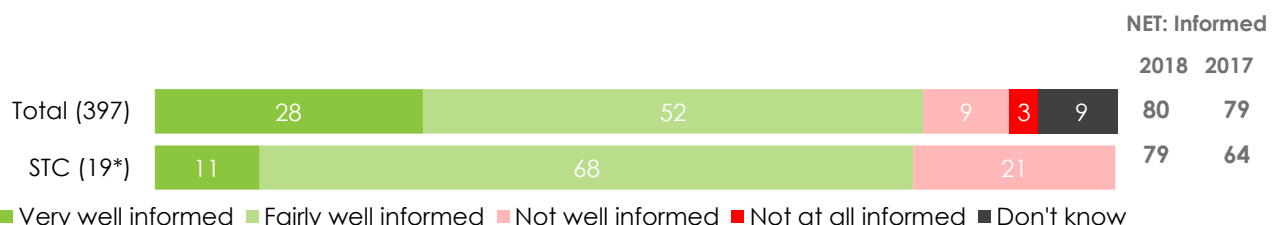
Perceptions of information provision

On average, organisations receive information about the STC from National Grid once or twice a fortnight and most feel this frequency is about right (80%).

KEPT INFORMED ABOUT THE CODE

Although customers agree that they are kept informed, there are some concerns around CA resourcing and the view that some CA teams are stretched. As we observed last year, there is still a view that those who are less familiar with the codes struggle to interpret the information received. So while the obligation to provide information is being met, there is a need to continue to simplify and to target communications.

Most organisations feel well informed (79%), although one in five disagree they are well informed about the STC.

	NET: Informed	
	2018	**2017**
Total (397): 28 / 52 / 9 / 3 / 9	80	79
STC (19*): 11 / 68 / 21	79	64

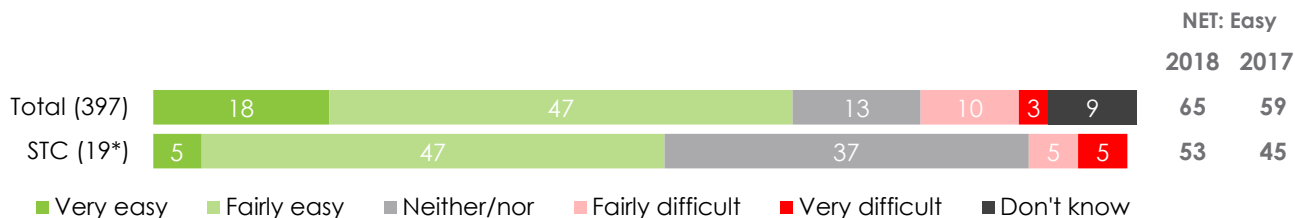■ Very well informed ■ Fairly well informed ■ Not well informed ■ Not at all informed ■ Don't know

*Low base

Q14/Q14b. How well do you feel your code administrator keeps you informed about the <code>? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

EASE OF INTERPRETING INFORMATION

More generally, those with more personal experience of codes and in organisations with 250+ employees are more likely to find interpreting information easier. However, encouragingly, there has been a positive uplift in reported ease among those within smaller organisations and those in the energy market for 5 years of less.

While around half say interpreting STC information is easy, a third are neutral and a further 10% are dissatisfied.

		NET: Easy	
		2018	2017
Total (397)	18 / 47 / 13 / 10 / 3 / 9	65	59
STC (19*)	5 / 47 / 37 / 5 / 5	53	45

■ Very easy ■ Fairly easy ■ Neither/nor ■ Fairly difficult ■ Very difficult ■ Don't know

Low base

Q15/Q15b. Overall how easy or difficult is it for you to interpret the information from the code administrator in relation to
Base: All responses for those involved with code (number of respondents in brackets) (results in %)

Perceptions of direct services

EMAIL

Overall, information is easily accessible via email – it is the most used both by CAs to provide information and by organisations to seek information. Communication by email means there are regular updates of information and organisations can stay on top of changes to the code. Organisations also prefer using email as it ensures there is an audit trail.
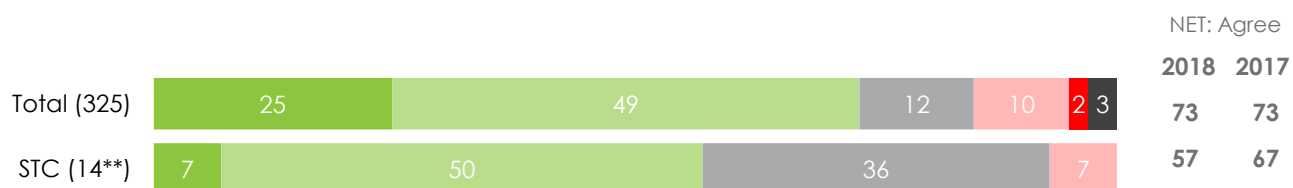
Email can however be overwhelming as CA communications are only one of many; this is especially so when several emails related to a code are sent in a single day. Furthermore, when emails do not include the key take outs, core messages can get lost.

The volume of emails can make it difficult for organisations to identify which messages contain vital information, which ones need immediate action or prioritisation against those providing more general updates.
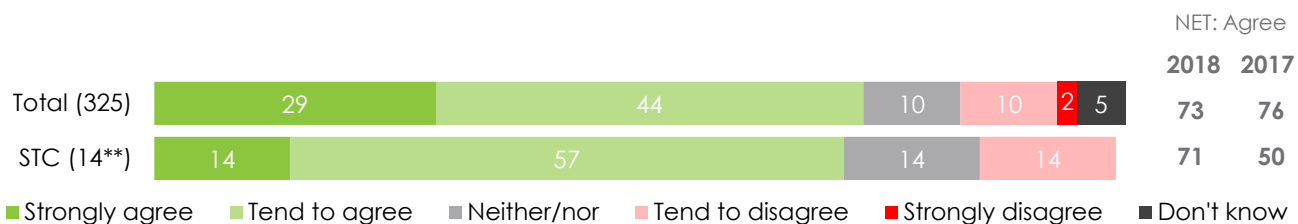
Emails from National Grid in relation to the STC are perceived as easy to understand by just over half of organisations and seven in ten indicate that they make it clear on when action needs to be taken (71%).

'The emails I receive are easy to understand'

		NET: Agree	
		2018	**2017**
Total (325)	25 · 49 · 12 · 10 · 2 · 3	73	73
STC (14**)	7 · 50 · 36 · 7	57	67

'The emails I receive make it clear when action needs to be taken'

		NET: Agree	
		2018	**2017**
Total (325)	29 · 44 · 10 · 10 · 2 · 5	73	76
STC (14**)	14 · 57 · 14 · 14	71	50

■ Strongly agree ■ Tend to agree ■ Neither/nor ■ Tend to disagree ■ Strongly disagree ■ Don't know

**Very low base

Q19. To what extent do you agree or disagree with the following in relation to the <code/codes>? Base: All responses for those receiving information from code administrator (number of respondents in brackets) (results in %)
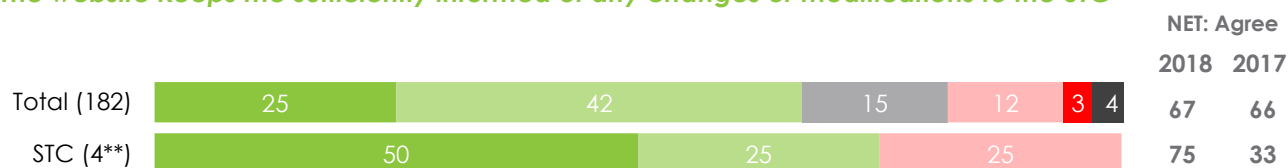
WEBSITES

Generally, customers value having information on websites, they use them to keep up to date with various code changes. Information included on websites can be insightful, providing businesses with the depth of understanding they require to navigate codes.
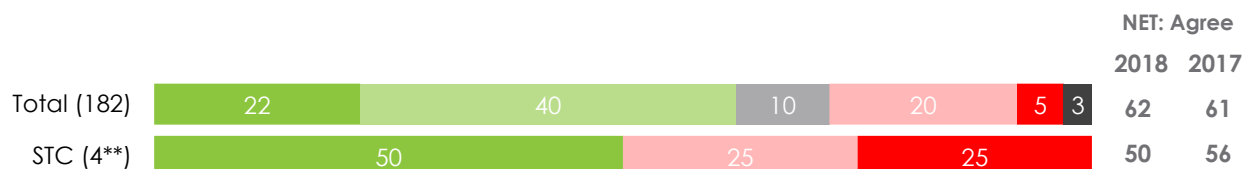
There are some highlighted concerns around the ability for customers to easily navigate websites, and limited signposting. Overall, there is a decline in the proactive use of websites (52% in 2017 vs 28% in 2018). While customers perceive websites as not fit for purpose use may decline further.

There are just four people who have used the National Grid website in relation to the STC and feelings are mixed. Although generally customers agree that the website keeps them sufficiently informed of any changes or modifications to the STC there is some dissatisfaction around the ease of finding information.

'The website keeps me sufficiently informed of any changes or modifications to the STC'

		NET: Agree	
		2018	**2017**
Total (182)	25 · 42 · 15 · 12 · 3 · 4	67	66
STC (4**)	50 · 25 · 25	75	33

'I am able to easily find information on the website'

		NET: Agree	
		2018	**2017**
Total (182)	22 · 40 · 10 · 20 · 5 · 3	62	61
STC (4**)	50 · 25 · 25	50	56

'The information on the website is easy to understand'

NET: Agree

	2018	2017
Total (182)	68	70
STC (4**)	50	67

Total (182): Strongly agree 24, Tend to agree 44, Neither/nor 15, Tend to disagree 13, Strongly disagree 2, Don't know 2

STC (4**): Tend to agree 50, Neither/nor 50

■ Strongly agree ■ Tend to agree ■ Neither/nor ■ Tend to disagree ■ Strongly disagree ■ Don't know
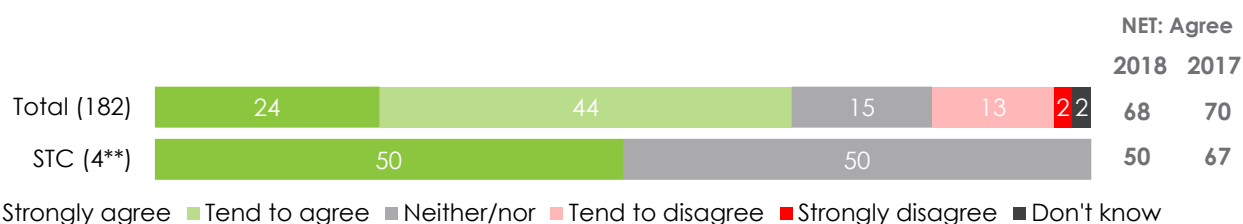
**Very low base

Q20. To what extent do you agree or disagree with the following in relation to the <code/codes>? Base: All responses for those using code administrator website (number of respondents in brackets) (results in %)

Some individuals did find issues around navigating the National Grid website.

"National Grid website is frustrating. Finding a document in the search is different vs previous finding modification."

"No place on the website to see what all the modifications are."

"Their new website makes it more difficult to find info than with the old one."

MEETINGS

Only four individuals had attended a meeting or workshop about the STC, and they were generally positive about the facilities.
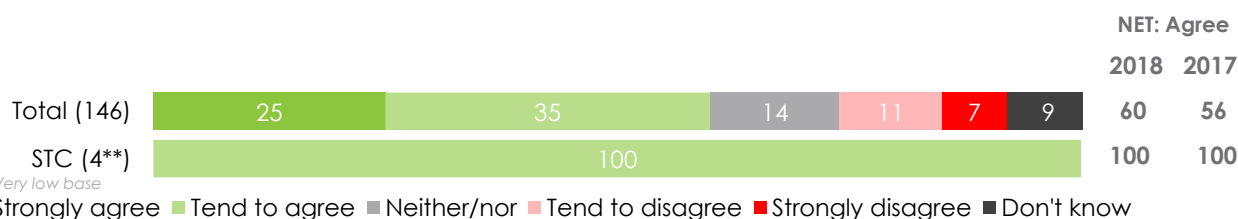
'It is easy for me to actively participate in the discussion'

NET: Agree

	2018	2017
Total (146)	82	88
STC (4**)	75	100

Total (146): Strongly agree 48, Tend to agree 34, Neither/nor 7, Tend to disagree 7, Strongly disagree 4

STC (4**): Tend to agree 75, Tend to disagree 25

'The materials that I receive prior to the meeting(s) provide me with enough information about the objectives'

NET: Agree

	2018	2017
Total (146)	84	88
STC (4**)	100	0

Total (146): Strongly agree 45, Tend to agree 39, Neither/nor 9, Tend to disagree 5, Strongly disagree 2

STC (4**): Strongly agree 25, Tend to agree 75

'Teleconference facilities are fit for purpose'

NET: Agree

	2018	2017
Total (146)	60	56
STC (4**)	100	100

Total (146): Strongly agree 25, Tend to agree 35, Neither/nor 14, Tend to disagree 11, Strongly disagree 7, Don't know 9

STC (4**): Tend to agree 100

**Very low base

■ Strongly agree ■ Tend to agree ■ Neither/nor ■ Tend to disagree ■ Strongly disagree ■ Don't know

Q22. To what extent do you agree or disagree with the following in relation to the <code/codes>? Base: All responses for those attending meetings (number of respondents in brackets) (results in %)
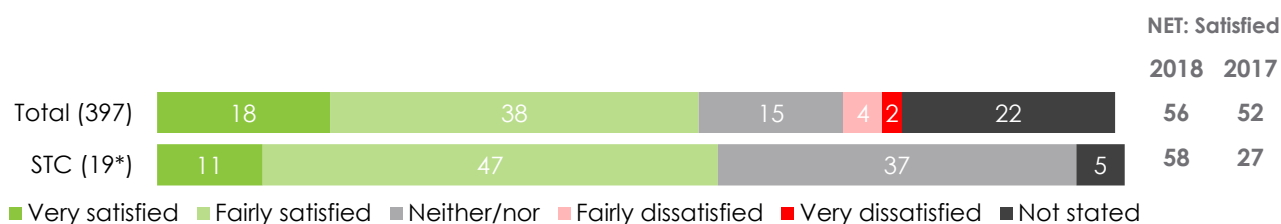
One organisation highlighted a desire for more face to face meetings:

"There are not enough face to face meetings. Calls can be very impersonal and that makes people lose the engagement."

RAISING AND UNDERSTANDING MODIFICATIONS

On average 9% have raised modification with respect to a code within the last 12 months. There were no individuals who had raised a modification in respect to the STC.

When it comes to understanding STC modifications, over half of organisations were satisfied with the support they received from National Grid.

	Very satisfied	Fairly satisfied	Neither/nor	Fairly dissatisfied	Very dissatisfied	Not stated	NET: Satisfied 2018	NET: Satisfied 2017
Total (397)	18	38	15	4	2	22	56	52
STC (19*)	11	47	37			5	58	27

*Low base

Q28. How satisfied were you with the support the code administrator gave you in helping you to understand what modifications raised by others mean for your organisation? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

ACCESSION PROCESS

Five respondents (26%) are employed by organisations who became party, or began the process to become party to the STC in the last five years. Of these, three found the process easy and two had no direct involvement with the process.

Conclusions

Overall, organisations are positive about some aspects of the service that National Grid provides in relation to the STC

Provision of information is highly rated

21% feel the service has improved over the last year

The few organisations attending meetings tend to be complimentary about most aspects of service

There is scope to improve some aspects of service

- The website is identified as being in need of some attention particularly around the ease of finding information and keeping organisations sufficiently informed on any changes or modifications