

Code Administrators Performance Survey

Balancing and Settlement Code (BSC)

Elexon

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 study is now in its third year and is designed 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 is not intended to take account of the relative funding of the Code Administrators (CA), or whether they offer value for money.

In 2019, the study has been repeated to monitor performance and identify any developments. Specifically, the survey will be used 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.

Throughout the report, we will show data for 2017, 2018 and 2019 and draw comparisons as appropriate.

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- Email industrycodes@ofgem.gov.uk

We'll consider your request and aim to get back to you in 10 days.

Method

A mixed mode programme of research was conducted with organisations interacting with industry codes. The scope of the research included:

- Telephone discussions with Code Administrators prior to commencing the research programme. The conversations were designed to establish any major changes in service provision, thus allowing Future Thinking the ability to contextualise results from the 2019 survey.
- A mixed mode quantitative survey (online and telephone) with 203 participants to measure experience and performance of code administrators – **37 participants answering about the BSC** (17 June – 12 July 2019).
- 25 follow-up in-depth interviews to get an understanding of drivers of satisfaction/dissatisfaction (15 July – 8 August).

Throughout the report, results are shown:

At a total level (aggregated results for all codes)

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

Quotes from respondents included in the report 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 more caution and is indicative only.

Industry context

The current structure and perceptions of the energy industry in which organisations operate are seen to have an impact on interactions and attitudes towards Code Administrators and should be taken into account when interpreting survey results.

Organisations acknowledge that the codes are necessarily complex and that the environment is challenging but believe fundamental changes in their administration could help to simplify processes and introduce greater consistency.

A key area for desired change in 2019 is reviewing CACoP with the belief that it can better serve customers by unifying Code Administrators. There is appetite among customers for CACoP:

- to have its own website.
- to deliver greater guidance to CAs on uniformity of information provision.
- to enforce levels of consistency around support provided through the modifications process.
- to provide weekly cross-code round-ups of forthcoming changes and expected impact on organisations.

While customers recognise the differences between codes, and the level of complexity associated with each, there remains a belief that simplifying and unifying operational aspects of codes would greatly assist CAs and the service delivery to customers.

There is also a preference for Ofgem to work more closely with CAs at earlier stages of modifications to avoid delays and further complications.

These wider external factors can influence how organisations perceive the service provided by individual code administrators.

Executive summary – BSC

Overall, Elexon is regarded highly:

- Eighty six percent say they are satisfied with the overall service provided to their organisation (32 respondents out of 37). Thirty five percent are 'very satisfied' with services relating to the BSC.
- The majority of those responding about and aware of support with BSC code (83%) are satisfied with the provision (30 out of 36 respondents aware). Furthermore, 86% are satisfied with support received when requested from Elexon (32 of all 37 respondents proactively seeking support).

— However scores are down from 2018

While results are strong, there are a few areas where Elexon could further improve BSC services:

- Improving teleconferences facilities so that they are fit for purpose
- Improving timeliness of information before meetings
- Helping users to understand modifications

Organisation profiling

The level of expertise organisations have to deal with codes remains consistent with previous years. However, availability of resource in 2019 has slightly declined.¹

More generally, in 2019, there is some evidence of larger organisations indicating that they are having some resourcing challenges.

"We are a large company but we have some challenges. A lot of our employees are not in energy, so although we are large, when it comes to engagement, it is difficult."

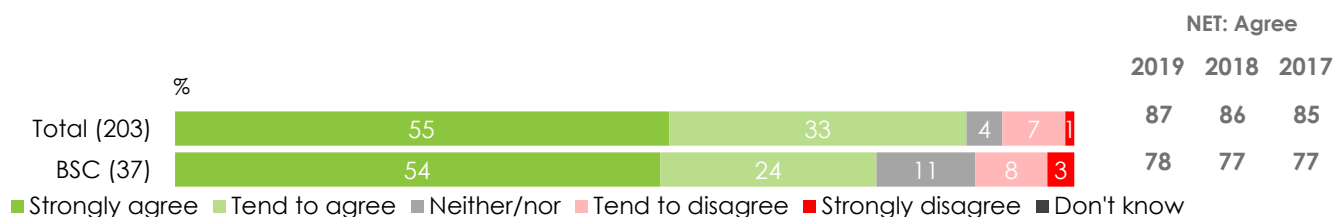
SELF-REPORTED ORGANISATION'S SIZE

	No. of employees			
	0-49	50-249	250-999	1,000+
Total (203)	24%	15%	14%	45%
BSC (37)	24%	14%	16%	46%

SELF-REPORTED ORGANISATION'S ENERGY MARKET EXPERIENCE

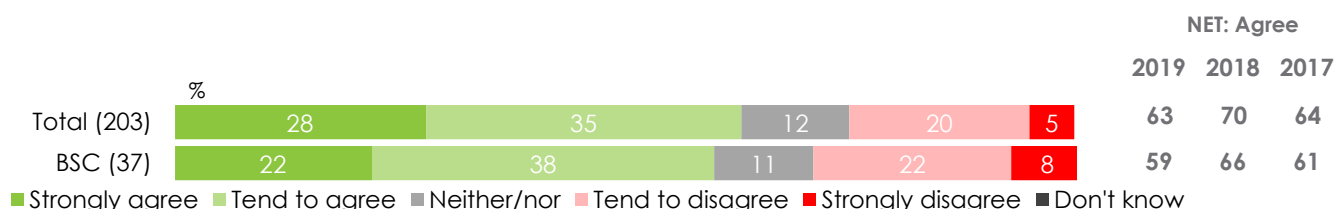
	0-5 years	6-9 years	10+ years
	Total (203)	15%	7%
BSC (37)	19%	14%	68%

SELF-REPORTED SUFFICIENT ORGANISATIONAL EXPERTISE TO DEAL WITH CODES



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 %)

SELF-REPORTED ORGANISATION'S RESOURCE



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 responses shown in brackets).

Challenges around availability of resource impact both small and large organisations; any support therefore has to reflect the organisation's individual circumstance rather than size. Organisations

¹ There is a weak correlation between an organisation's self-reported level of resource and overall satisfaction with Code Administrators. However, this does not imply causation.

interacting with Elexon feel less confident they have enough resource available to deal with codes this year compared to last year.

Key findings

KPIs

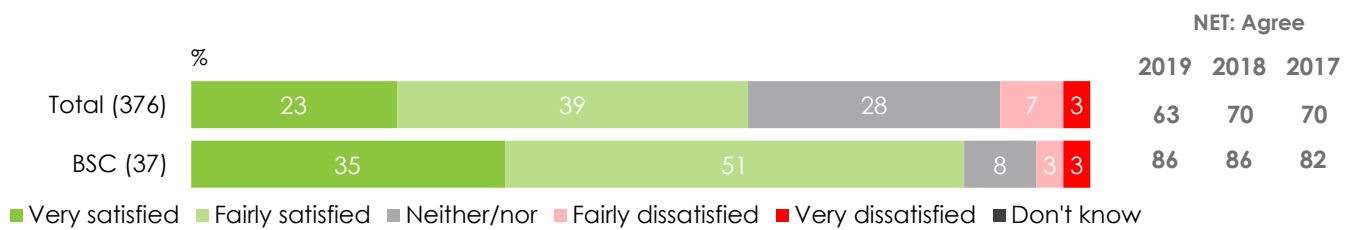
The survey collected four wide measures of satisfaction:

1. Overall satisfaction with the service provided to their organisation.
2. Satisfaction with the provision of support.
3. Satisfaction with support received when requested.
4. Perceived improvements from service received in the last year (introduced in 2018).

Organisations rate the BSC highly across all KPIs. There is little dissatisfaction reported across the measures and the proportion of those satisfied with the overall service and provision of support from Elexon are higher than average.

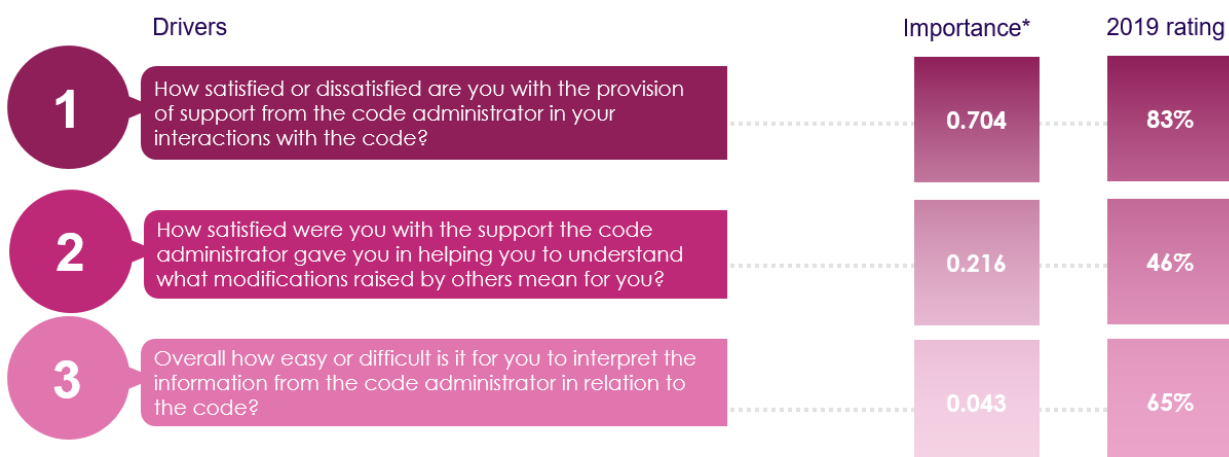
OVERALL SATISFACTION

At an all organisational level, we see a shift in reported overall satisfaction, down from 70% in 2018 to 63% in 2019. In contrast, 86% of those responding about BSC are satisfied (32 out of 37 respondents) and 35% very satisfied.



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 responses shown in brackets).

To understand the aspects of service delivery that most affect overall satisfaction, key driver analysis (KDA) was conducted.² The aspects of service that have the greatest impact on overall satisfaction are:



* 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.)

² 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 satisfaction – this is a subconscious measurement rather than a stated level of importance.

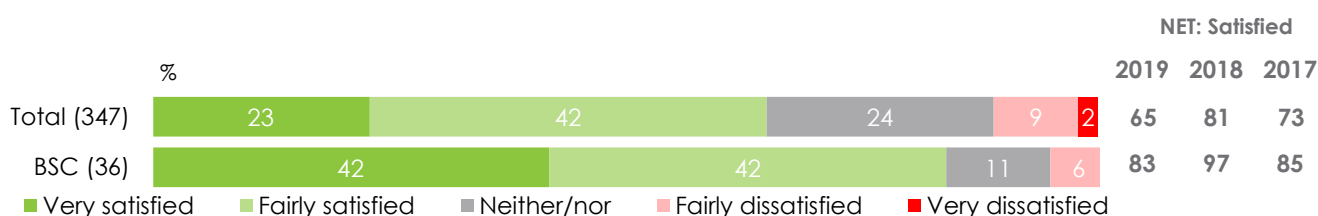
Due to the small base sizes, it is not possible to identify the key drivers for individual codes. The importance scores in the chart above are therefore based on the combined total for all codes and the 2019 current rating is specific to the BSC.

At an overall level, the three key drivers of satisfaction continue to be around support and information. While provision of support is still the most important driver for satisfaction, it has become even more important (rising from 0.467 to 0.704 in 2019). It is however striking that the reported satisfaction around these key areas has dropped significantly at a total level as well as for the BSC. There are opportunities to improve service around all the three key drivers of satisfaction. With service improvements to these core areas, it is likely that 2020 may see a positive lift in reported overall satisfaction.

SATISFACTION WITH PROVISION OF SUPPORT

After the strong uplift seen in 2018, 2019 sees a significant decline in reported satisfaction with provision of support from Code Administrators, and now stands at 65% (from 81% in 2018).

Elexon is rated very highly for providing support in relation to the BSC with 83% satisfied (32 out of 36 aware of support), however, this is still a decline in comparison to its 2018 rating (97%).



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 aware of support (number of responses shown in brackets).

The high satisfaction figures correspond with the feedback reported by organisations:

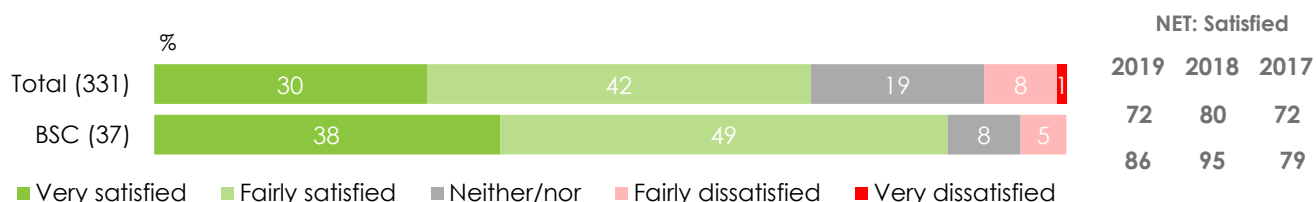
"It's easy to get in contact with Elexon."

"Very good at providing trainings and materials we can use for our management team and for new people within the business."

"Good knowledge – some seem to have manager service."

SATISFACTION WITH SUPPORT RECEIVED WHEN REQUESTED

Again, we see a decline in satisfaction with support received when organisations request it. Overall, satisfaction is back to the 2017 level and stands at 72%. While ratings have decreased for BSC, they are still relatively high, with 86% satisfied with support received when requested (32 respondents).



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 proactively seeking support (number of responses shown in brackets).

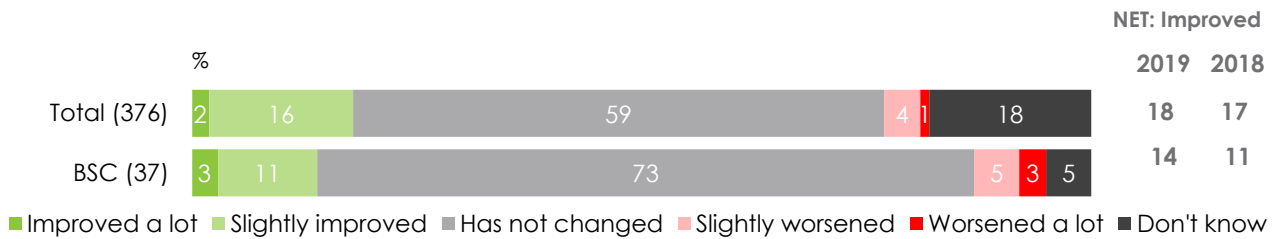
Organisations are happy with the provision of support given by Elexon, although there is some room for improvement:

"I have a pretty good experience with the BSC, there is good communication coming from them. But sometimes when the issue is quite complex, it takes them a while to get back to us. I think some issues are not road tested entirely."

“Quite helpful, but it is hard to know where the BSC stops. When problems arise we have to see where that problem lies, it is about finding out where the boundaries lie.”

PERCEIVED IMPROVEMENT

At an overall level, organisations tend to believe that the service they receive has not changed over the last year. For BSC, this is even more apparent with 73% (27 respondents) stating that service levels have not changed from last year. Fourteen percent (5 respondents) say the BSC service has improved from last year and eight percent (three respondents) that it has got worse.



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? All responses for those involved with code (number of responses shown in brackets).

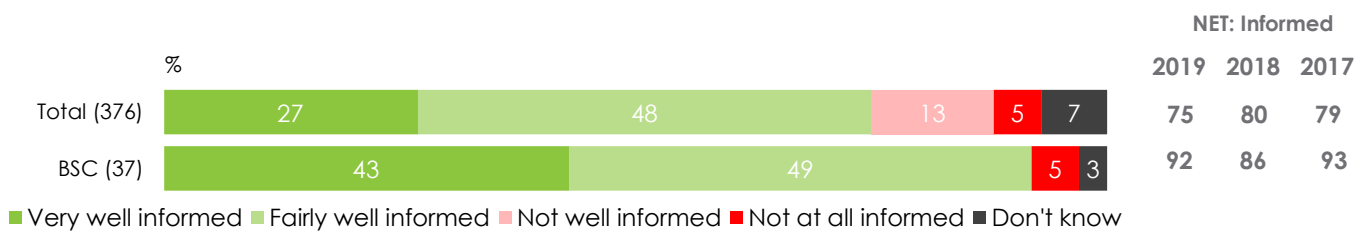
Perceptions of information provision

On average, organisations claim to receive information about the BSC from Elexon 2-3 times a week and for 91% (31 out of 34 receiving information), this frequency is about right.

KEPT INFORMED ABOUT THE CODE

Typically, organisations believe that Code Administrators keep them well informed about the codes; we however see a very slight decline in those feeling very or fairly informed (from 80% in 2018 to 75% in 2019).

Elexon is performing very well in this area: 92% say they feel 'very' or 'fairly' well informed about the BSC (34 respondents).

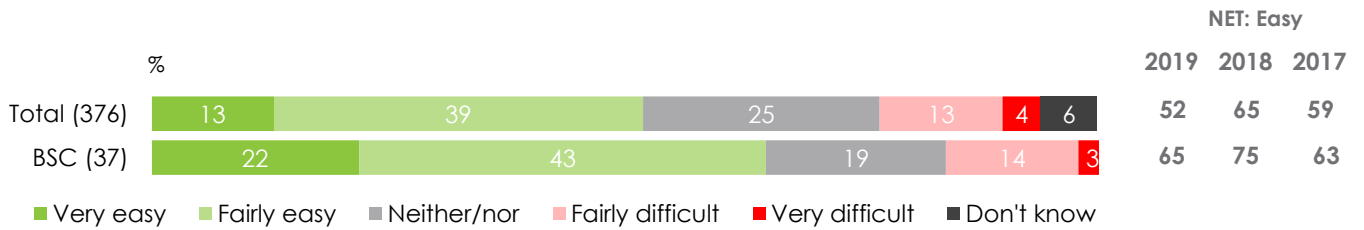


Q14/Q14b. How well do you feel your code administrator keeps you informed about the <code>? Base: All responses for those involved with code (number of responses shown in brackets).

EASE OF INTERPRETING INFORMATION

After the positive uplift seen in 2018, reported ease of interpreting information has declined. Overall, around half of organisations feel it is easy to interpret information from Code Administrators in relation to their codes.

We see a similar pattern with the information provided by Elexon with 65% of organisations (24 respondents) saying it is easy to interpret (after an uplift to 75% in 2018).



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 responses shown in brackets).

For older codes such as the BSC, organisations have reported that it can be helpful to provide some form of on-boarding support such as guidance documents or training. A concern was raised from the perspective of a smaller organisation:

“There's not time to read through all changes and see what is relevant to them. It would be good, in communication, to have a way to show who it is relevant to.”

Perceptions of direct services

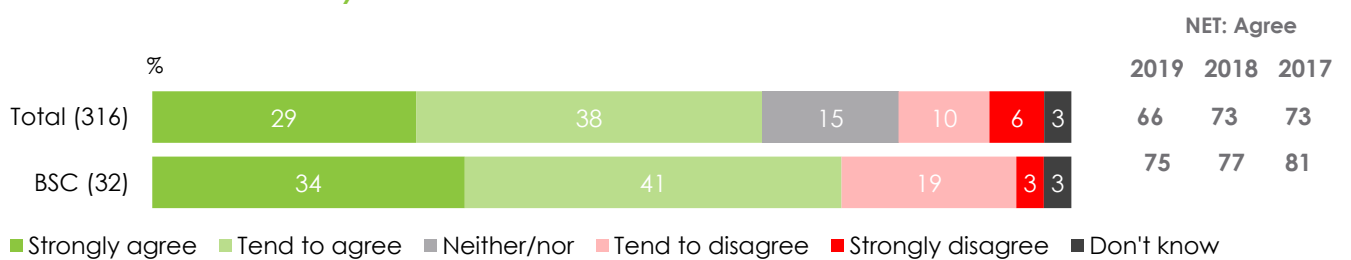
EMAIL

Organisations continue to be reliant on receiving information via email. It is generally perceived as accessible and provides a traceable audit trail. While organisations highlight some innovations that have made email communications from Code Administrators more manageable, there is a view that more can be done to streamline information sent via email.

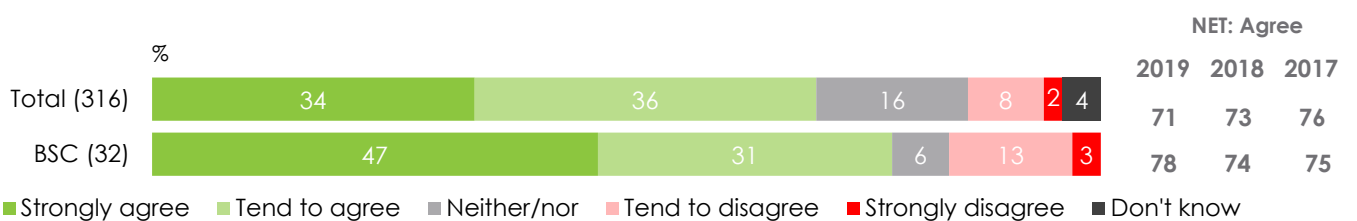
Organisations value email communications that are succinct, clear and give direction on the action (if any) that they may need to take as a result. Some organisations called for more dynamic provision of information; with email used to provide topline information and complementing digital platforms used as repositories for more detailed information.

There is a relatively high level of agreement that Elexon's emails in relation to the BSC are easy to understand (75% - 24 respondents of 32 receiving emails) and make it clear when action needs to be taken (78% - 25 respondents). There is however scope for Elexon to further improve on these scores, especially since ratings for 'ease of understanding' are starting to show a downward trend.

'The emails I receive are easy to understand'



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



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 responses shown in brackets).

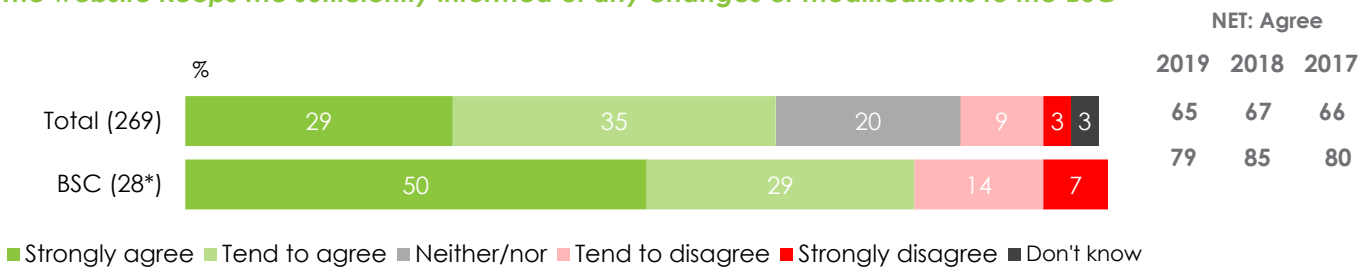
WEBSITES

Websites remain important for most organisations. They are seen as a vital resource for keeping up to date with various code changes and general information related to the code. Information included on websites can be insightful, providing businesses with the depth of understanding they require to navigate codes.

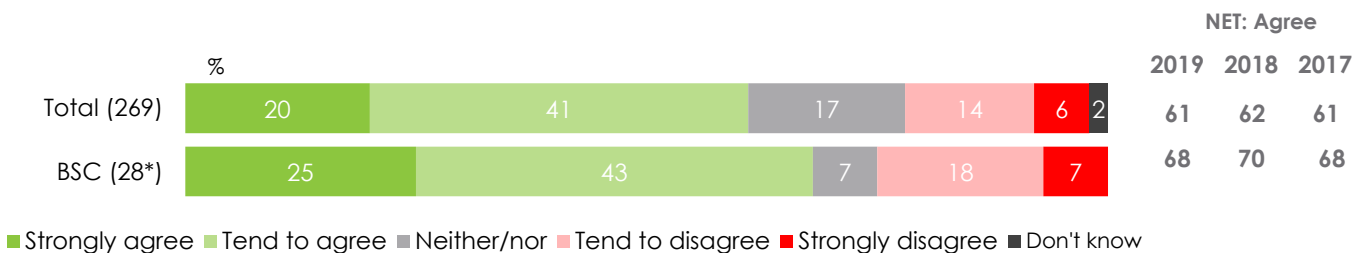
Customers feel it is critical that information that is on websites is kept up to date and is also easy to find. This continues to be an area that most Code Administrators need to work on; at an overall level, 61% indicate they are able to easily find information on the website.

The proportion of BSC customers agreeing that the website keeps them sufficiently informed of any changes or modifications to the code is high at 79% (22 respondents of 28 using the website). However, there is some dissatisfaction expressed with other aspects of the Elexon website: 25% say it is difficult to find information on the site and information is difficult to understand (seven respondents respectively).

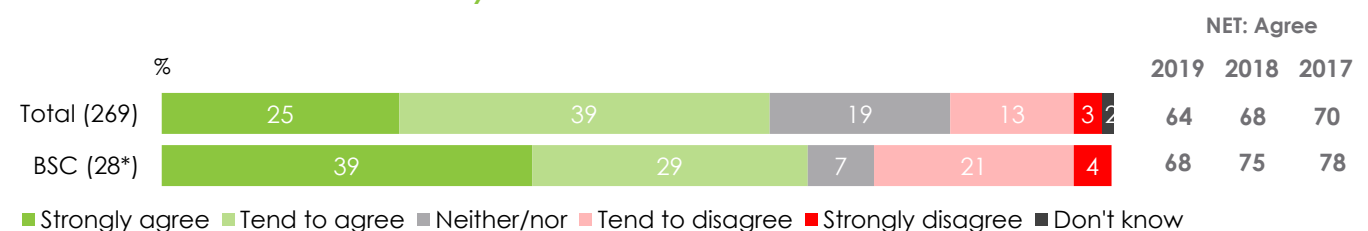
'The website keeps me sufficiently informed of any changes or modifications to the BSC'



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



'The information on the website is easy to understand'



* 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 responses shown in brackets).

Organisations reported positively about using the website:

"On Elexon's website I just sort out where the processes are so that if I just wanted to know if there is anything urgent happening, I can easily look for that."

"Elexon website redeveloped last year, improved usability."

"Always refer to it when confused. It is good enough."

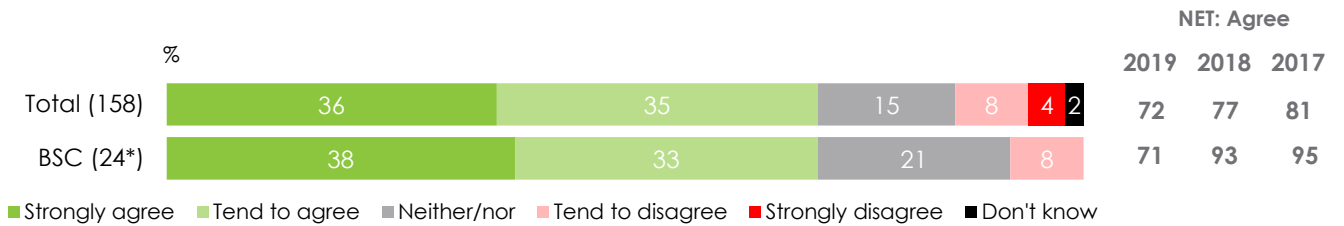
"They've got everything on their website, they do a lot of transparent analysis, they're very helpful, they resource things properly, requests are coordinated in a timely manner, their IT is very good."

MEETINGS

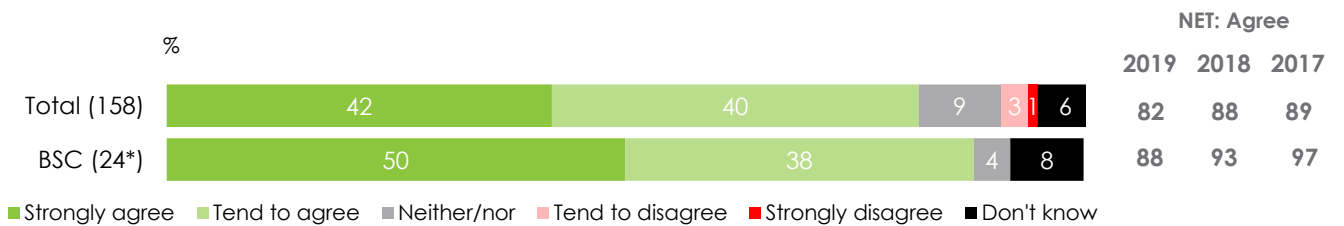
At an overall level, 42% have attended a meeting or workshop in relation to the code they interact with. Sixty five percent have attended a BSC meeting or workshop in the last 12 months (24 respondents).

Elexon is performing well in relation to BSC meetings. The majority of organisations are satisfied with the information provide in pre-meeting materials, the meeting facilities and ease of participating in discussion. There is however scope to improve the teleconference facilities and the timeliness of information being sent in relation to BSC meetings, which sees a drop in 2019.

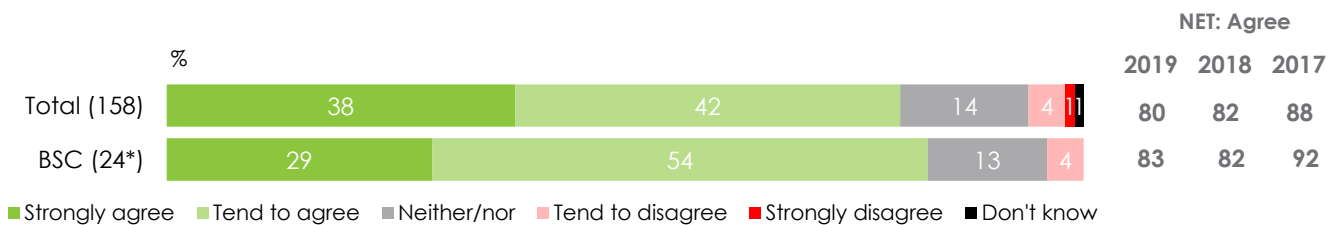
'I receive information in sufficient time before meetings'



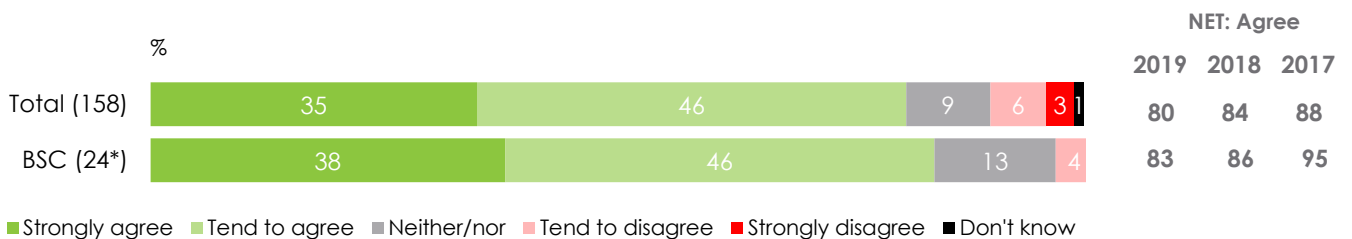
'Meeting facilities are fit for purpose'



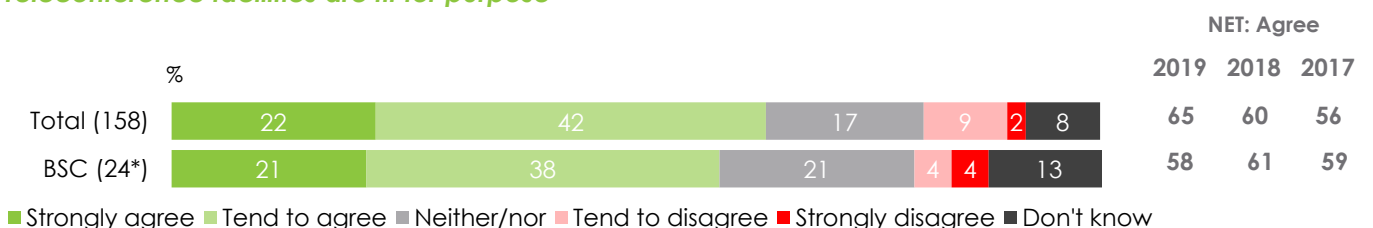
'It is easy for me to actively participate in the discussion'



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



'Teleconference facilities are fit for purpose'



* Low base

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 responses shown in brackets).

RAISING AND UNDERSTANDING MODIFICATIONS

Eleven percent (four organisations) have raised BSC modifications within the last 12 months. Three out of four of the organisations found the process of raising a modification easy.

Overall, we see a decline in organisations saying they are satisfied with the support their Code Administrator gives them to understand what modifications mean for them.

Forty six percent of organisations who deal with Elexon are satisfied with their support in understanding BSC modifications (17 respondents).



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 responses shown in brackets).

Organisations had mostly positive feedback about the process of understanding the modification, but with areas of improvements:

"We get lots of support from Elexon. The way that they report on modification is very detailed so you know exactly what they've done."

"It works well but is time consuming."

"It's easier when we are getting a bit of signalling."

ACCESSION PROCESS

Eleven respondents (30%) are employed by organisations who became party, or began the process to become party to, the BSC in the last five years. Perception on how easy the process is mixed, with half of those personally involved in the process indicating that it was easy, whilst the other half felt it was difficult.

An organisation found that Elexon were very helpful during the accession process:

"I have to say Elexon are excellent and helpful and they have a whole team that you email and they give you a person and you can go and see them."

Conclusions

Elexon is performing strongly on most aspects of BSC service provision – however we see a decline on several aspects of the service compared to 2018, taking scores back to 2017 levels:

- The information on the website being easy to understand may be an area to focus on to stop the downward trend.
- Timeliness of information before meetings and teleconference facilities are areas highlighted as in need of improvement.

There are some indications that the modification process may be difficult; similarly, businesses give a modest rating for the support received in helping them to understand what modifications raised by others mean for their organisation.