

Code Administrators Performance Survey

Smart Energy Code (SEC)

Gemserv

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 – **36 participants answering about the SEC** (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 SEC (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 – SEC

Gemserv has seen some decline across measures in relation to the SEC

- Twenty five percent (9 respondents out of 36) of Gemserv customers indicate that the SEC service has slightly improved over the last year but overall satisfaction has declined.
- Organisations typically say that Gemserv keep them well informed but there is scope for improvement in regards to interpretation of information.
- Satisfaction for the support the Code Administrator gives them to understand what modifications mean for them has seen notable decline.


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



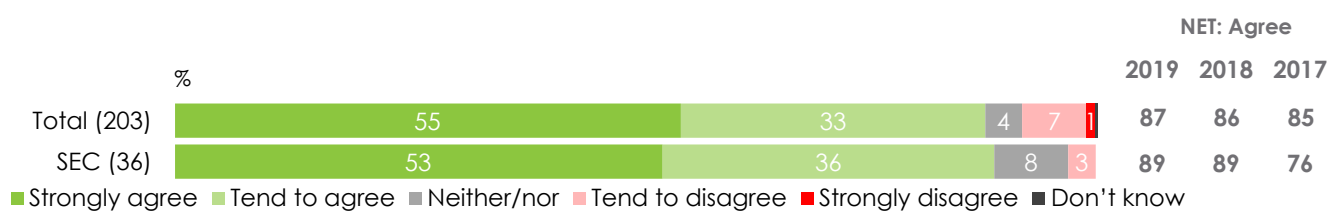
	No. of employees			
	0-49	50-249	250-999	1,000+
Total (203)	24%	15%	14%	45%
SEC (36)	17%	14%	25%	39%

SELF-REPORTED ORGANISATION'S ENERGY MARKET EXPERIENCE



	0-5 years	6-9 years	10+ years
Total (203)	15%	7%	78%
SEC (36)	25%	6%	69%

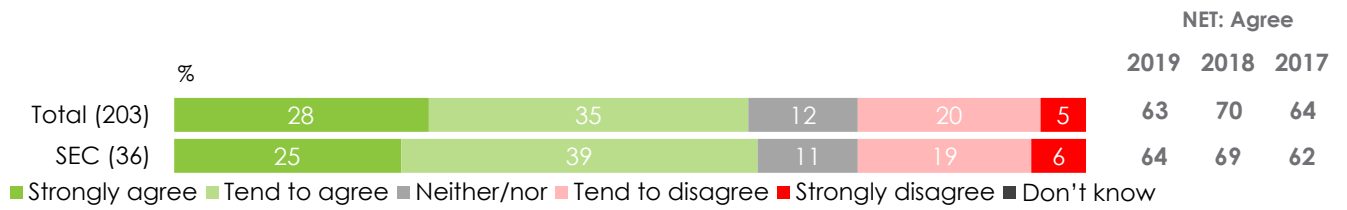
SELF-REPORTED SUFFICIENT ORGANISATIONAL EXPERTISE TO DEAL WITH CODES



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 responses shown in brackets).

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.

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.

Key findings

KPIS

The survey collected four wide measures of satisfaction:

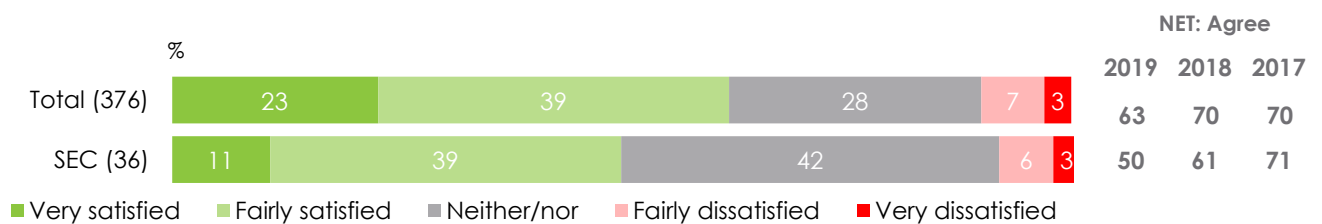
1. Overall satisfaction with the service provided to their organisation.
2. Satisfaction with the provision of support.
3. Satisfaction with support received when requested.
4. Perceived improvements from service received in the last year (introduced in 2018).

Twenty five per cent of customers (9 respondents out of 36) (feel that over the last year, Gemserv has slightly improved its service offer in relation to the SEC. However, overall satisfaction has declined from 2018, along with satisfaction with provision of support and to a lesser degree support received when requested.

"They are quite receptive to feedback which is a good thing."

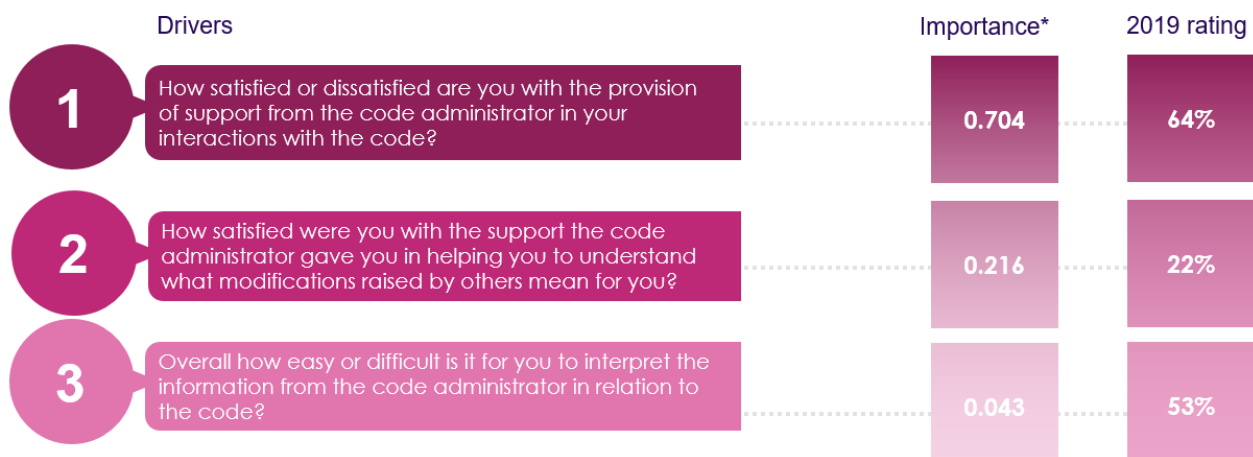
OVERALL SATISFACTION

At an all organisational level, we see a shift in reported overall satisfaction, down from 70% in 2018 to 63% in 2019. This pattern is also evident in relation to the SEC, now with only 50% (18 respondents) being satisfied with Gemserv's service. Levels of dissatisfaction have remained stable since 2018, thus an increase is seen for the 'neither/nor' group.



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 impact 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.)

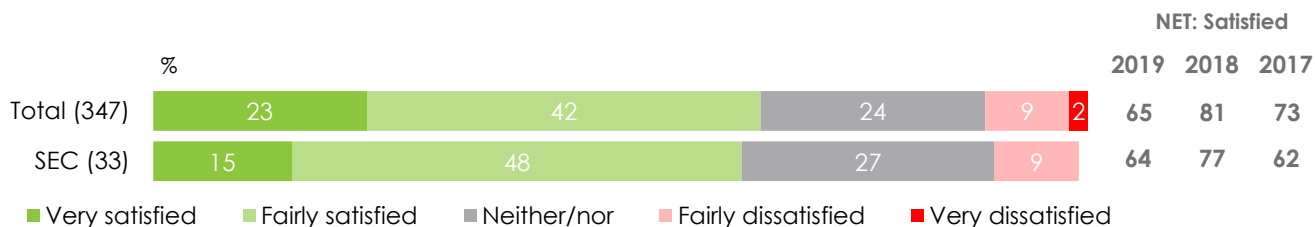
Due to the small base sizes, it is not possible to identify the key drivers for individual codes. The importance scores in the chart above are therefore based on the combined total for all codes and the 2019 current rating is specific to the SEC.

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 SEC. 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).

The same pattern is seen for SEC. Sixty four percent (21 of 33 respondents aware of support) are satisfied with Gemserv's service provision in relation to the SEC, levels back down to 2017 scores.



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).

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 overall attitudes – this is a subconscious measurement rather than a stated level of importance.

There are some concerns around the level of expertise that is available to organisations with respect to the SEC:

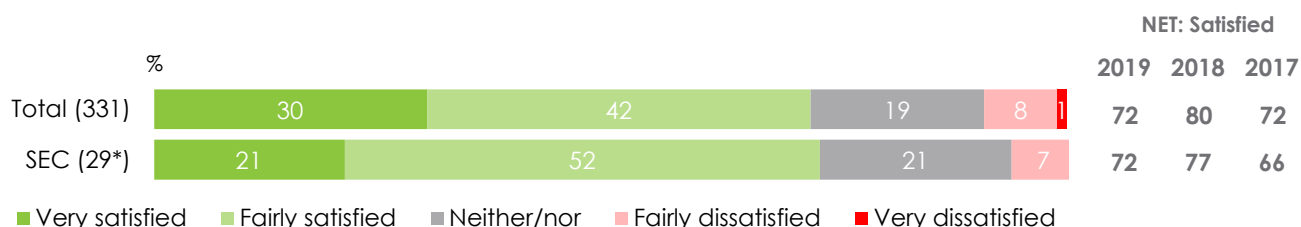
“With the SEC and SPAA, the person we are often dealing with is not really knowledgeable, they wouldn't be able to answer my questions, so I don't really use them as much as I wish to.”

“They have industry experience where people are good at governance but not technical: they need a closer relation with companies so that they understand how we operate on a day to day basis.”

“(Modifications) They don't seem to have enough expertise.”

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%. Most organisations interacting with the SEC are satisfied with the help they receive from Gemserv when they request it (72% - 21 respondents of 29 seeking support). Again, we see a decline from 2018 although still above 2017 satisfaction scores.



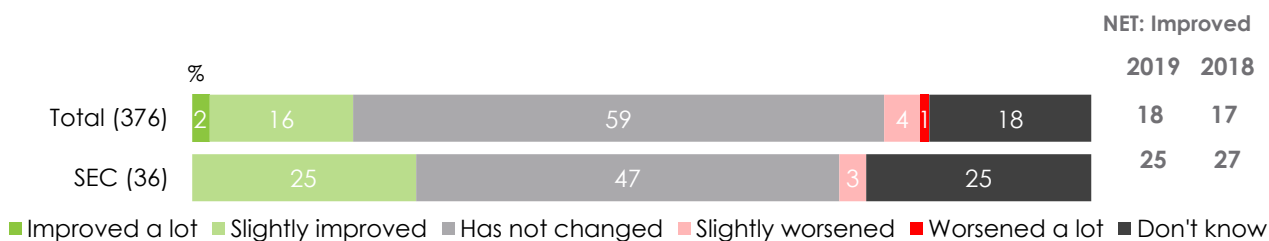
Q13/Q13b. And when you request support from the code administrator in relation to the <code> how satisfied or dissatisfied are you with the support you receive? Base: All responses for those proactively seeking support (number of responses shown in brackets).

Some organisations feel that requesting support can feel impersonal:

“If I have any questions, I would go to the help desk. I have few contacts.”

PERCEIVED IMPROVEMENT

At an overall level, organisations tend to believe that the service they receive has not changed over the last year. For SEC, 47% (17 respondents) feel the service is unchanged and 25% of organisations (nine respondents) indicate that the service has slightly improved in the last year, consistent with opinion in 2018.



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).

Organisations believe that Gemserv is establishing a good framework to pick up and act on feedback:

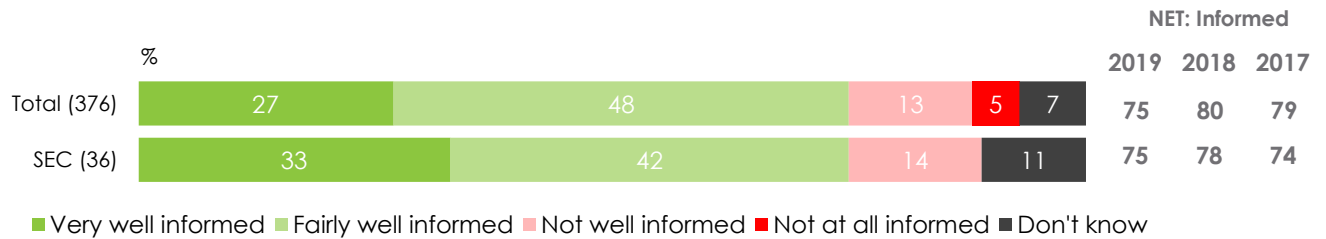
“It is good they are proactively seeking feedback, they have changed the way they work as it is a new code”

Perceptions of information provision

On average, organisations claim to receive information about the SEC from Gemserv around two to three times a week and for the majority (74%), this frequency is about right (23 respondents). A minority of organisations (13%, four respondents) feel the frequency is too often.

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). Seventy five percent of organisations (27 respondents) say that Gemserv keeps them well informed about the SEC, with 14% (five respondents) saying they are not well informed.

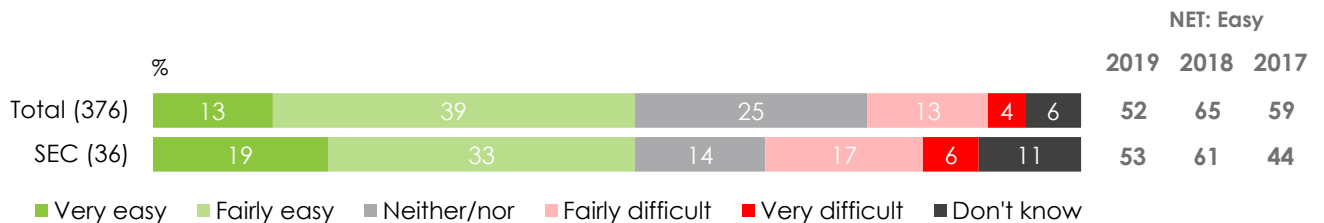


Q14/Q14b. How well do you feel your code administrator keeps you informed about the <code>? Base: All responses for those involved with code (number of responses shown in brackets).

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.

For SEC, there is also a decline in reported ease from 2018, although scores are still ahead of 2017. Twenty three percent (eight respondents) indicate that interpreting information related to the SEC is difficult, suggesting scope for improvement.



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).

There is the perception that the code is complex and can be difficult to deal with if just one person is required to do so:

“Smart energy code is huge, too big. No problem understanding the code. But physically it is too big for one person to go through it or know it.”

“We are different people within our business dealing with specific part of that code. One person cannot do it all.”

Perceptions of direct services

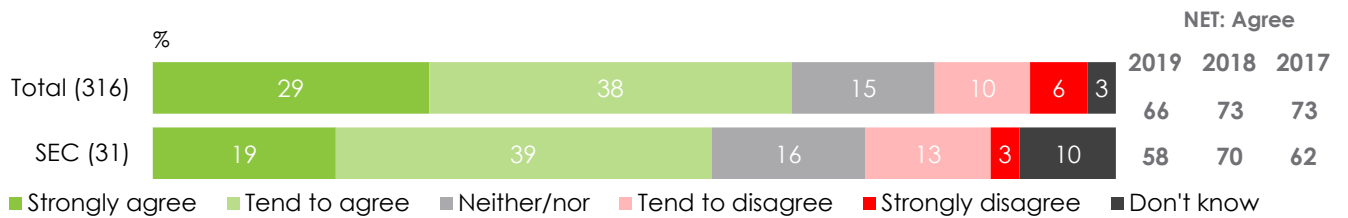
EMAIL

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.

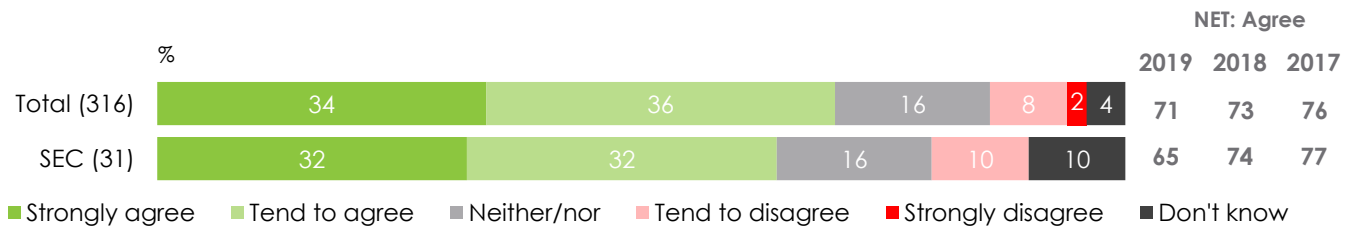
Organisations value email communications that are succinct, clear and give direction on the action (if any) that they may need to take as a result. Some organisations called for more dynamic provision of information; with email used to provide topline information and complementing digital platforms used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

Ease of understanding of Gemserv's emails about the SEC has declined from previous years, now at 58% (18 respondents out of 31 receiving emails) from 70% in 2018. Furthermore, there has also been a decline in terms of how well Gemserv performs on making it clear to organisations when emails require action, now down to 65% (20 respondents) from 74% in 2018. This suggests some scope for improvement in these areas.

'The emails I receive are easy to understand'



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



*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 responses shown in brackets).

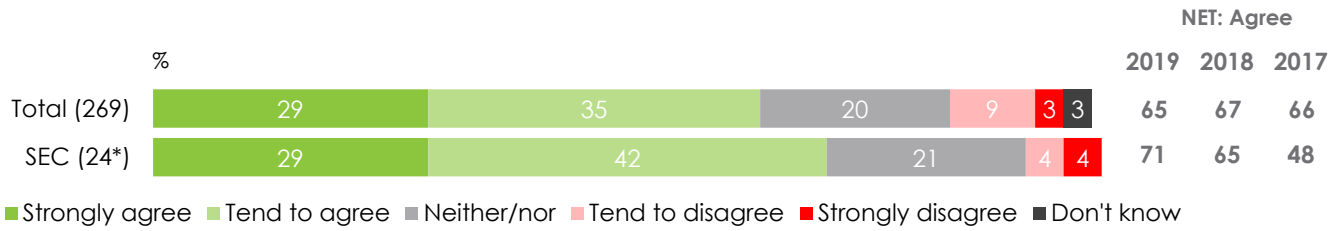
WEBSITES

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.

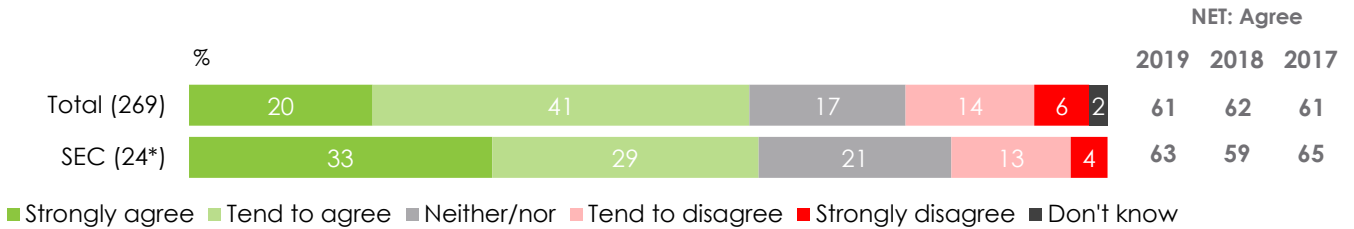
Customers feel it is critical that information that is on websites is kept up to date and is also easy to find. This continues to be an area that most Code Administrators need to work on; at an overall level, 61% indicate they are able to easily find information on the website.

Whilst organisations generally agree that the website keeps them sufficiently informed of any changes or modifications to the SEC (this increasing over time), there has been a decline in terms of the information on the website being easy to understand, now at 63% (15 respondents out of 24 using website). Seventeen percent of organisations (four respondents) also highlight some dissatisfaction with being able to easily find information on the website.

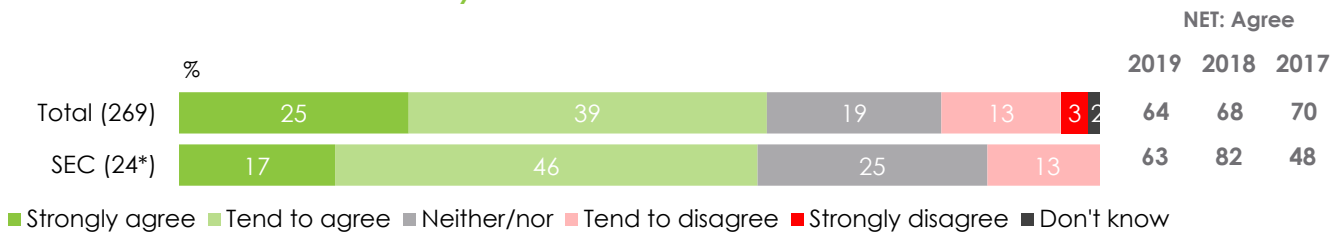
'The website keeps me sufficiently informed of any changes or modifications to the SEC'



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



'The information on the website is easy to understand'



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).

*Low base

There is mixed opinion about the functionality of the website:

"The search function could improve. It doesn't bring specific results and there is a not helpful order."

"It seems more user friendly now."

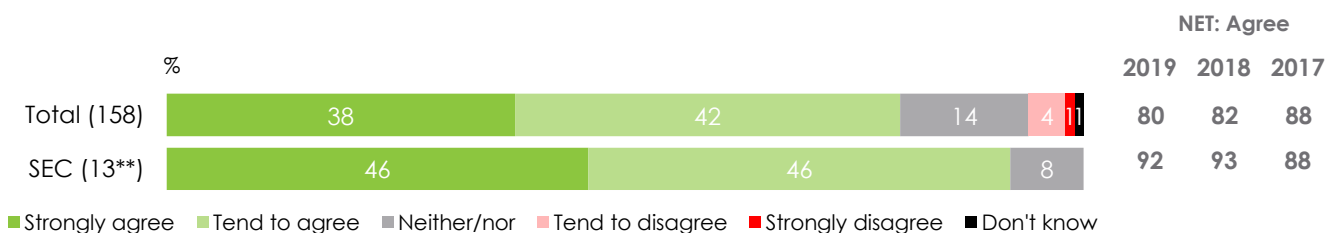
"The website is fine. It is clear to find what you're after and I don't have any problems with it. "

MEETINGS

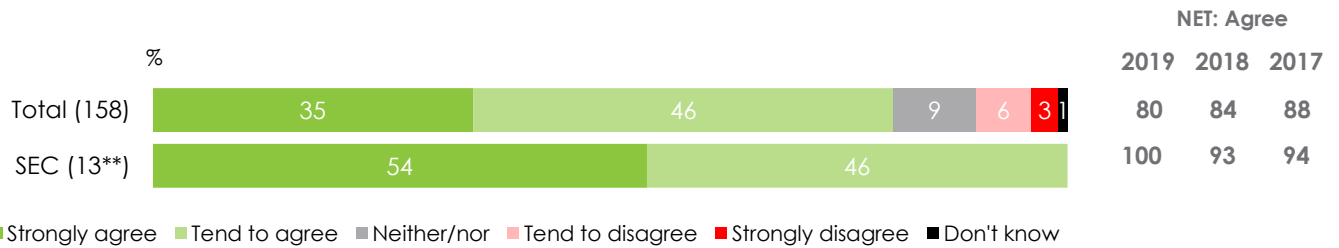
At an overall level, 42% have attended a meeting or workshop in relation to the code they interact with. Thirty six percent of organisations (13 respondents) have attended a SEC meeting or workshop in the last 12 months.

Gemserv is performing well in relation to enabling organisations to actively participate in discussions with ease and in the provision of information prior to the meetings.

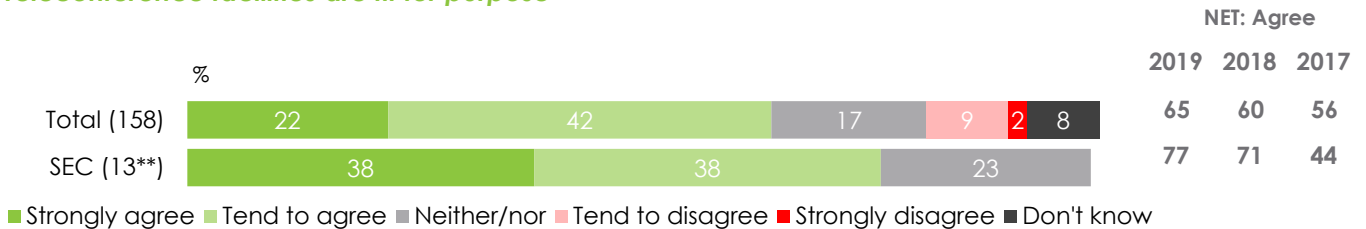
'It is easy for me to actively participate in the discussion'



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



'Teleconference facilities are fit for purpose'



**Very 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

Eight percent (three organisations) have raised modifications in respect to the SEC within the last 12 months.

All three raising a modification, highlight that the process of raising a modification was easy and that they are satisfied with the support Gemserv gave in the development of their proposal.

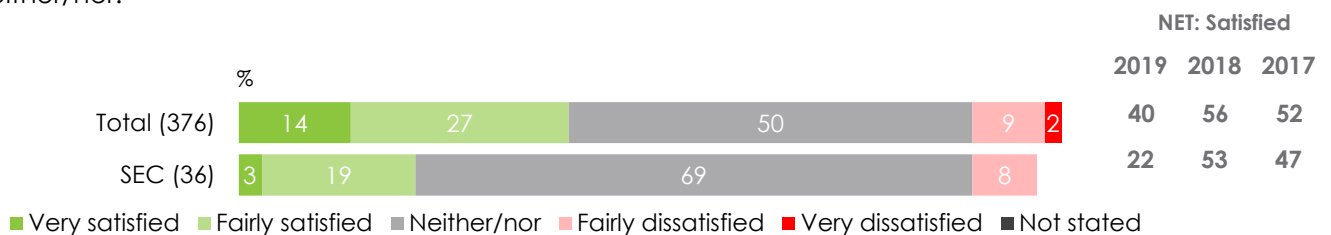
However, there are complaints about the length of the change process:

"The SEC have very poor management of modifications. It takes them between 6 weeks to 3 months to process it, I think this is unacceptable! They try to improve but it puts us off raising modifications."

"Change is slow - at the moment it takes 6 months to make a change sometimes. I think it should take 2-3 months, that's more reasonable. But I do understand that this is because the CA has to consult everyone which takes time."

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.

There has been a substantial decline in satisfaction in regards to organisations' view of the support Gemserv provide in relation to the SEC, now with only 22% satisfied (eight respondents) compared with 53% in 2018. Whilst only 8% (three respondents) say they are dissatisfied, 69% are saying neither/nor.



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 have noticed the efforts made to make the change process more transparent and understandable:

"The code is technical but the SEC are still working out how to make it smoother."

"There seems to be some improvement. There is more information about the process, they've created subcommittees they filter a lot through."

"Good visibility of changes."

"Change process is good. Very technical code and they are still working out how the change process would work best. Improved over the last years."

ACCESSION PROCESS

Half of organisations participating had been through the SEC accession process in the last year. There are mixed feelings about the process, with some indicating that the process can be difficult.

Conclusions

Gemserv has seen some decline across measures in relation to the SEC with overall satisfaction declining from 2018 and in some places even below 2017 scores.

Whilst organisations typically agree that Gemserv keep them well informed, there is scope for improvement in regards to interpretation of information and support.

Specific areas for improvement include:

- Ease of understanding emails and making it clear when action is needed to be taken
- Navigation and ease of understanding information on the website
- Increased support in helping to understand modifications raised by others

Areas where Gemserv does perform well on are meetings, with many who have attended being positive.