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

- Concerns around some businesses submitting tactical modifications for their own commercial gain
- 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 – SEC

Overall Gemserv is performing well in relation to the SEC:

- A quarter of Germserv customers indicate that the SEC service has improved over the last year
    - o Service provision has seen some positive directional improvements from 2017, for both information actively offered to organisations and that requested
- There is scope to improve some aspects of the service:
    - o Ease of interpreting information for organisation is highlighted as problematic by some
    - o There are aspects of the website that are highlighted as in need of improvement

Overall Gemserv is performing well in relation to the SEC:

Organisation profiling

The level of expertise organisations have to deal with codes remains consistent with 2017. It is encouraging that there is a 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.
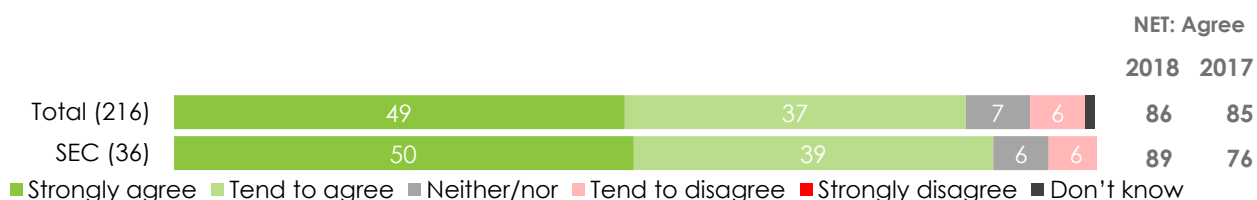
ORGANISATION'S SIZE

	No. of employees			
	0-49	**50-249**	**250-999**	**1,000+**
Total (216)	18%	16%	14%	47%
SEC (36)	17%	14%	11%	50%

ORGANISATION'S ENERGY MARKET EXPERIENCE

	0-5 years	**6-9 years**	**10+ years**
Total (216)	16%	6%	76%
SEC (36)	25%	6%	69%

SUFFICIENT ORGANISATIONAL EXPERTISE TO DEAL WITH CODES

NET: Agree

					2018	2017
Total (216)	49	37	7	6	86	85
SEC (36)	50	39	6	6	89	76

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

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
SEC (36)	36	33	8	17	6	69	62

■ Strongly agree ■ Tend to agree ■ Neither/nor ■ Tend to disagree ■ Strongly disagree ■ Don't know
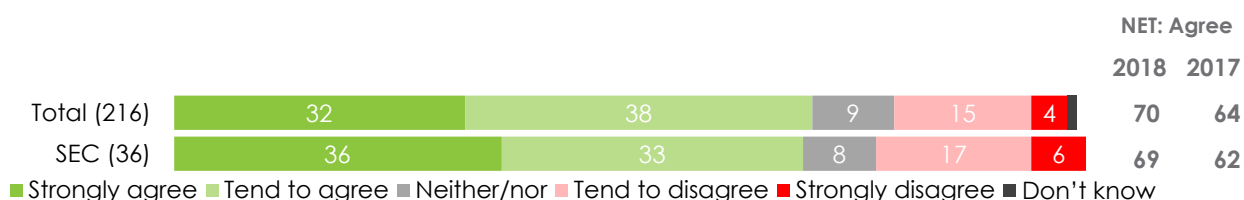
Q2. And to what extent would you agree or disagree that you have enough resource within your organisation to sufficiently deal with the codes you are responsible for or interact with? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

Smaller organisations indicate that they often deal with multiple codes, which can make it challenging to know the intricate detail of the SEC, or other codes they may deal with.
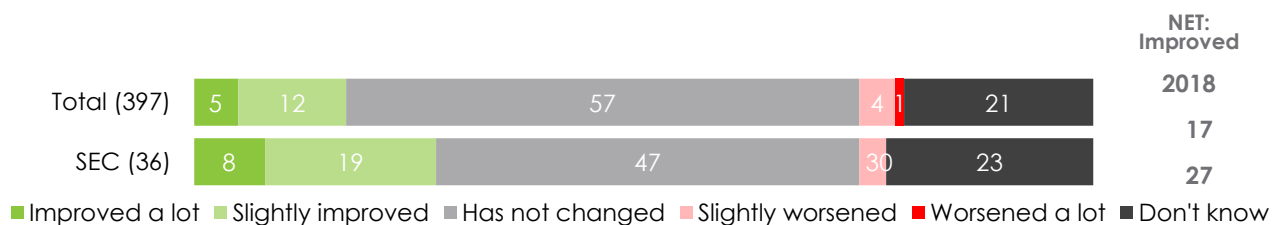
Key findings

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.

A quarter of organisations feel that over the last year, Gemserv has improved its service offer in relation to the SEC.
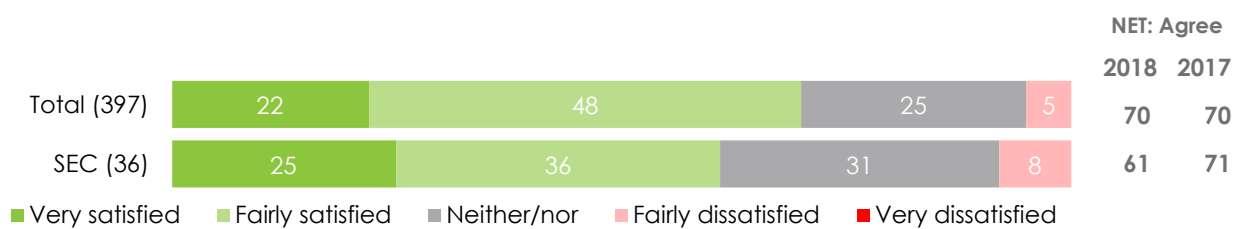
PERCEIVED IMPROVEMENT

A high proportion of organisations feel the service received in relation to their code has not changed (57%); for SEC, 47% feel the service is unchanged. Encouragingly, 27% of organisations indicate that the service has improved in the last year.

NET: Improved

	2018
Total (397)	17
SEC (36)	27

	Improved a lot	Slightly improved	Has not changed	Slightly worsened	Worsened a lot	Don't know
Total (397)	5	12	57	4	1	21
SEC (36)	8	19	47	3	0	23

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

Six in ten organisations are satisfied with Gemserv's service in relation to the SEC and just under one in ten are dissatisfied.

NET: Agree

	2018	**2017**
Total (397)	70	70
SEC (36)	61	71

	Very satisfied	Fairly satisfied	Neither/nor	Fairly dissatisfied	Very dissatisfied
Total (397)	22	48	25	5	
SEC (36)	25	36	31	8	

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	77%
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	53%
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	61%

* 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 are based on the combined total for all codes and the current rating is specific to the SEC.

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 over the last 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.
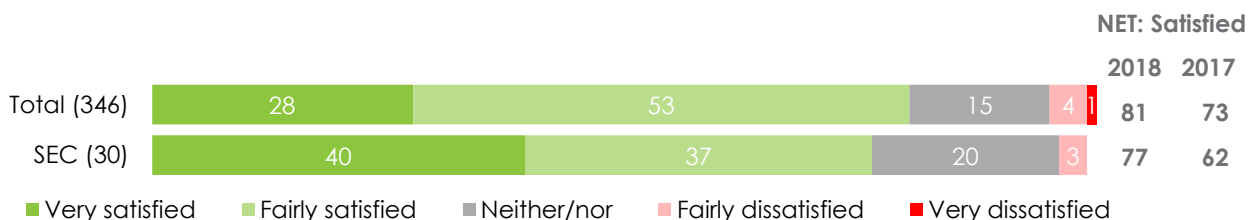
Three quarters (77%)of organisations are satisfied with Gemserv's service provision in relation to the SEC. This is a positive directional improvement from 2017.

						NET: Satisfied	
						2018	2017
Total (346)	28	53	15	4	1	81	73
SEC (30)	40	37	20	3		77	62

■ Very satisfied ■ Fairly satisfied ■ Neither/nor ■ Fairly dissatisfied ■ Very dissatisfied
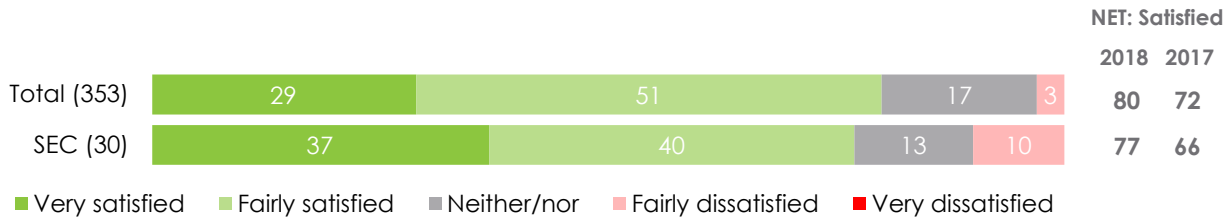
Q11a/Q11c. How satisfied or dissatisfied are you with the provision of support from the code administrator in your interactions with the <code>? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

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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.

"They are very well equipped, they do understand the code."

SATISFACTION WITH SUPPORT RECEIVED WHEN REQUESTED

Experience of the codes plays the greatest part in influencing perceptions of support received when directly requesting it from a Code Administrator. Most organisations interacting with the SEC are satisfied with the help they receive from Gemserv when they request it. Again, there is a positive directional improvement from 2017.

					NET: Satisfied	
					2018	**2017**
Total (353)	29	51	17	3	**80**	**72**
SEC (30)	37	40	13	10	**77**	**66**

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

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 %)
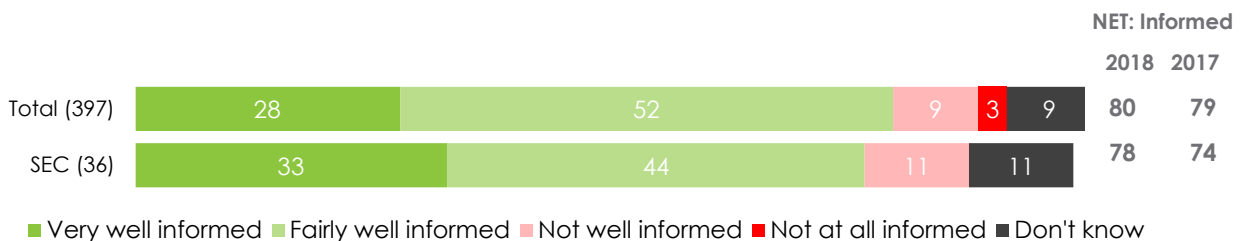
Perceptions of information provision

On average, organisations receive information about the SEC from Gemserv around once or twice a week and for the majority (72%), this frequency is about right.

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.

A majority of organisations (78%) say that Gemserv keeps them well informed about the SEC and only one in ten say they are not well informed.

						NET: Informed	
						2018	**2017**
Total (397)	28	52	9	3	9	**80**	**79**
SEC (36)	33	44	11		11	**78**	**74**

■ Very well informed ■ Fairly well informed ■ Not well informed ■ Not at all informed ■ Don't know
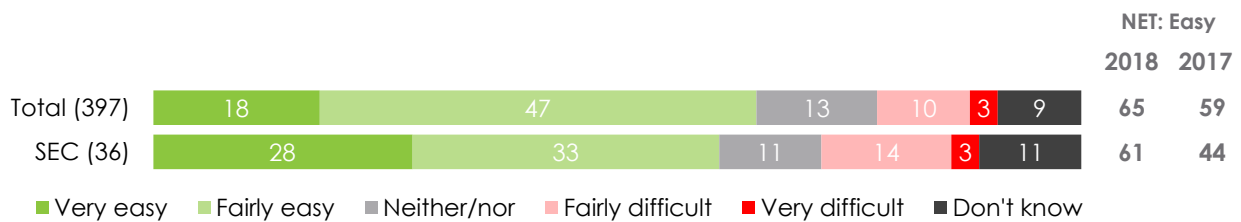
Q14/Q14b. How well do you feel your code administrator keeps you informed about the <code>? Base: All responses for those involved with code (number of respondents in brackets) (results in %)

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.

For SEC, there is an increase in reported ease, from 44% in 2017 to 66% in 2018. While this is a positive shift, there is scope for further improvement, as 17% of organisations indicate that interpreting information related to the SEC is difficult.

	Very easy	Fairly easy	Neither/nor	Fairly difficult	Very difficult	Don't know	2018	2017
Total (397)	18	47	13	10	3	9	65	59
SEC (36)	28	33	11	14	3	11	61	44

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

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 %)

"When issuing documents or information, they need to "tell the story" and provide a summary as an introduction to the documentation."

"I find that as I am not involved with the GCRP or attend every meeting, that I am often "out of the loop" for many issues and I do not understand the relevance of the communication."

Perceptions of direct services
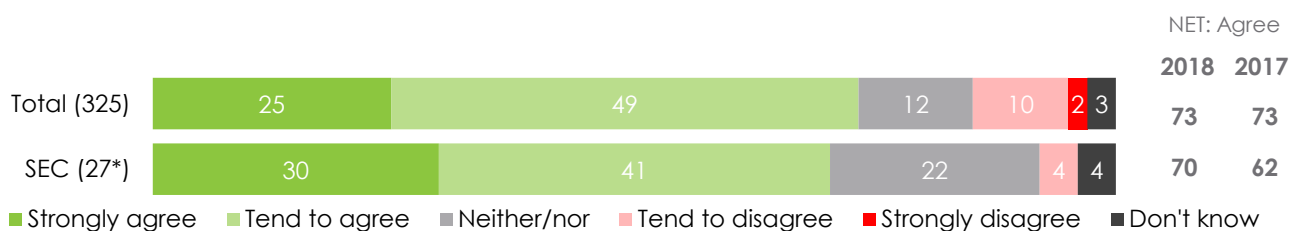
EMAIL

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.
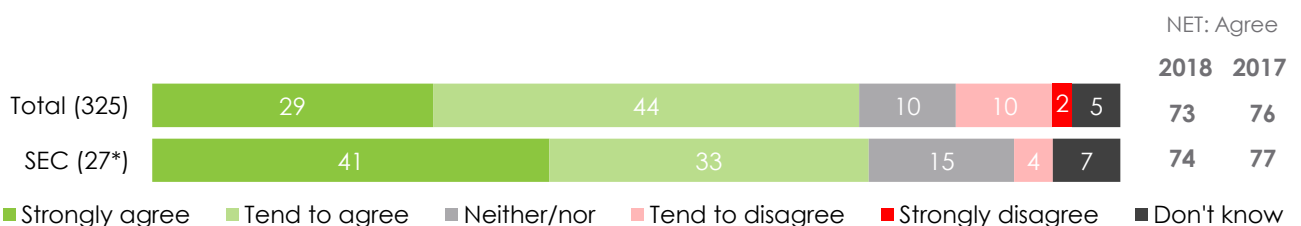
The volume of emails can make it difficult for organisations to identify which messages contain vital information, which ones need immediate action or prioritisation against those providing more general updates.

Gemserv's emails about the SEC are generally seen as easy to understand. Furthermore, Gemserv performs well on making it clear to organisations when emails require action. There is however scope for Germserv to further improve on these scores.

'The emails I receive are easy to understand'

NET: Agree

	Strongly agree	Tend to agree	Neither/nor	Tend to disagree	Strongly disagree	Don't know	2018	2017
Total (325)	25	49	12	10	2	3	73	73
SEC (27*)	30	41	22	4		4	70	62

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

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

NET: Agree

	Strongly agree	Tend to agree	Neither/nor	Tend to disagree	Strongly disagree	Don't know	2018	2017
Total (325)	29	44	10	10	2	5	73	76
SEC (27*)	41	33	15	4		7	74	77

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

*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 %)

A range of improvements are suggested for emails:

"Not all manufacturers are part of the SEC, that means they will have to do something different. One thing they could do is to approach all parties within this industry and make it mandatory. How can you follow the process if you are not included in the email and don't have the same access to requirements. They should enforce it."

"The level of information I receive from the SEC is good. I don't receive too many or too little amount of emails."

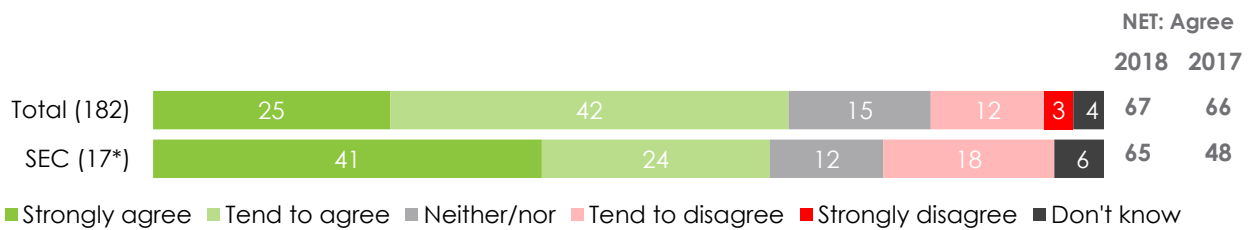*"Email communications are regular and very clear."*

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.
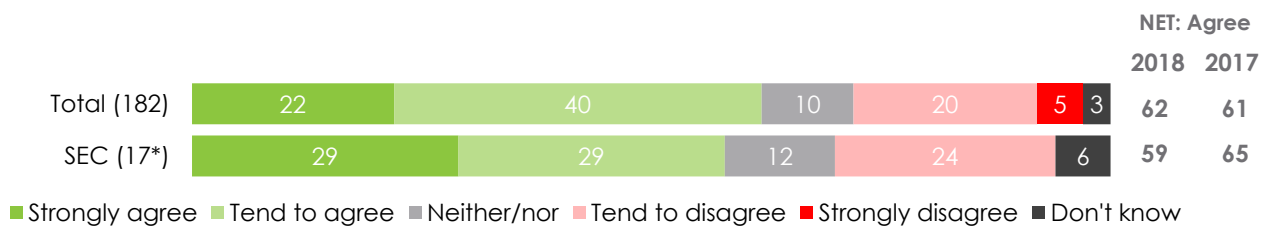
There are some highlighted concerns around the ability for customers to easily navigate websites, and limited signposting. Overall, there is a decline in the proactive use of websites (52% in 2017 vs 28% in 2018). While customers perceive websites as not fit for purpose use may decline further.

Organisations highlights some dissatisfaction with aspects of the SEC website. Eighteen percent disagree that the website keeps them sufficiently informed about any changes or modifications to the SEC. A quarter indicate that they are unable to easily find information and 12% say the information on the website is not easy to understand.
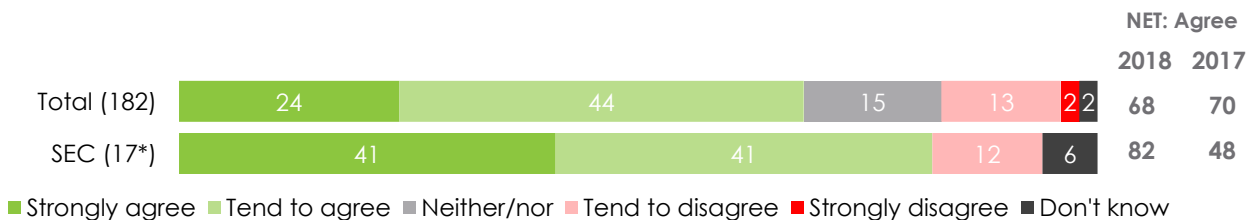
'The website keeps me sufficiently informed of any changes or modifications to the <code>'

	Strongly agree	Tend to agree	Neither/nor	Tend to disagree	Strongly disagree	Don't know	NET: Agree 2018	NET: Agree 2017
Total (182)	25	42	15	12	3	4	67	66
SEC (17*)	41	24	12	18		6	65	48

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

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

	Strongly agree	Tend to agree	Neither/nor	Tend to disagree	Strongly disagree	Don't know	NET: Agree 2018	NET: Agree 2017
Total (182)	22	40	10	20	5	3	62	61
SEC (17*)	29	29	12	24		6	59	65

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

'The information on the website is easy to understand'

	Strongly agree	Tend to agree	Neither/nor	Tend to disagree	Strongly disagree	Don't know	NET: Agree 2018	NET: Agree 2017
Total (182)	24	44	15	13	2	2	68	70
SEC (17*)	41	41		12		6	82	48

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

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 %)

*Low base

"There could be a bit more guidance for new starters but personally, I am happy with it."

"Noticed a change, but because the code is so complex, they change, and when they change they become more complex requiring more change, it's a natural cycle."

"'Change is good but not always welcome' – especially when there's a lot of information and they change how you navigate it. It's not always appreciated, I'll get used to it though."
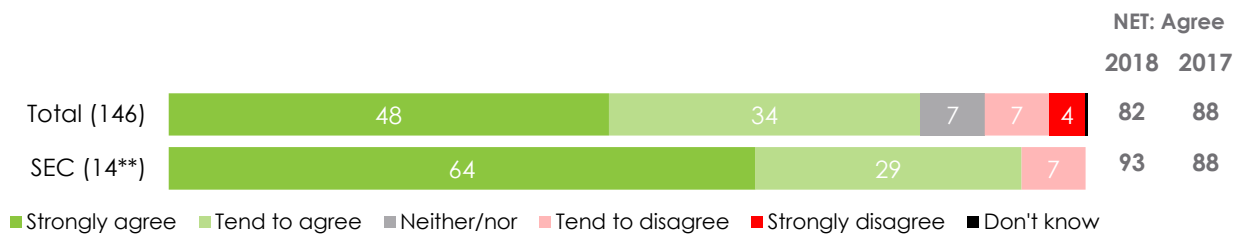
"The website is not as intuitive as it was, and not everything is as up to date and accurate as it could be."
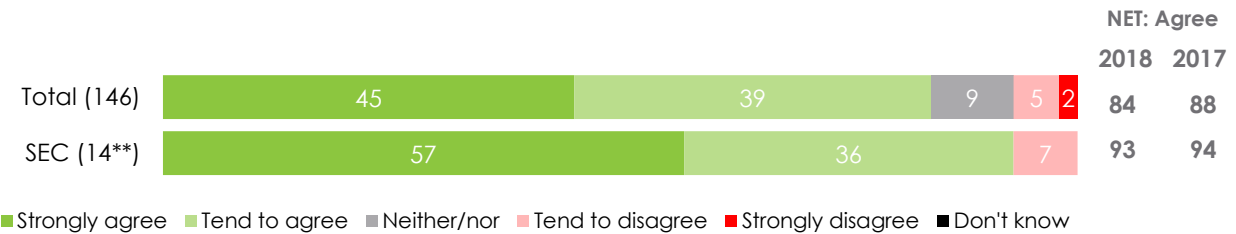
MEETINGS

Two-fifths of organisations have attended a meeting or workshop about the SEC in the last 12 months. At an overall level, 37% have attended a meeting or workshop in relation to the code they interact with.

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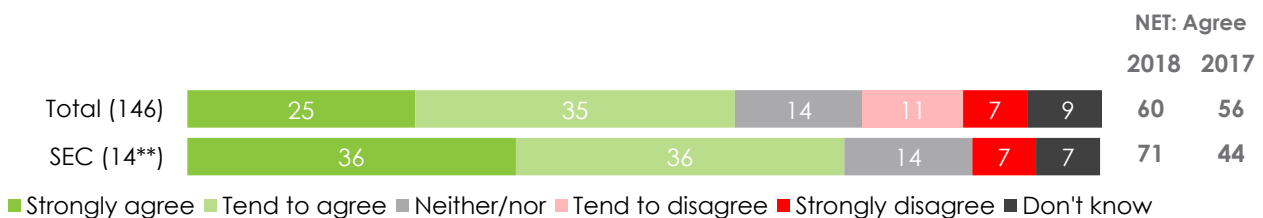
'It is easy for me to actively participate in the discussion'

NET: Agree

		2018	2017
Total (146)	48 / 34 / 7 / 7 / 4	82	88
SEC (14**)	64 / 29 / 7	93	88

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

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

NET: Agree

		2018	2017
Total (146)	45 / 39 / 9 / 5 / 2	84	88
SEC (14**)	57 / 36 / 7	93	94

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

'Teleconference facilities are fit for purpose'

NET: Agree

		2018	2017
Total (146)	25 / 35 / 14 / 11 / 7 / 9	60	56
SEC (14**)	36 / 36 / 14 / 7 / 7	71	44

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

**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 respondents in brackets) (results in %)

A range of improvements are suggested around meetings:

"It takes a lot of time for them to come back to us. It is hard to get meetings with them. In the last few months, their performance seem to have dropped. But I am not sure what is going on."

"There surely is room for improvement in terms of being more proactive and following through commitments."

"They organise call meetings but I always prefer face to face. The only problem is that they don't have enough meeting rooms. They need to think about having meetings outside their office."

"They will often schedule meetings which overlap with others as well as not giving parties the required 5 days notice that they are happening. This means they cannot always attend which is frustrating as they miss out on being involved in integral meetings and the CA is hard on them for not attending."

"Makes it difficult and stops us from being able to move and shape the sector."

RAISING MODIFICATIONS

Eight per cent (3 organisations) have raised modifications in respect to the SEC within the last 12 months.

Of those raising a modification, all three say the process of raising a modification was easy and that they are satisfied with the support Gemserv gave in the development of their proposal.
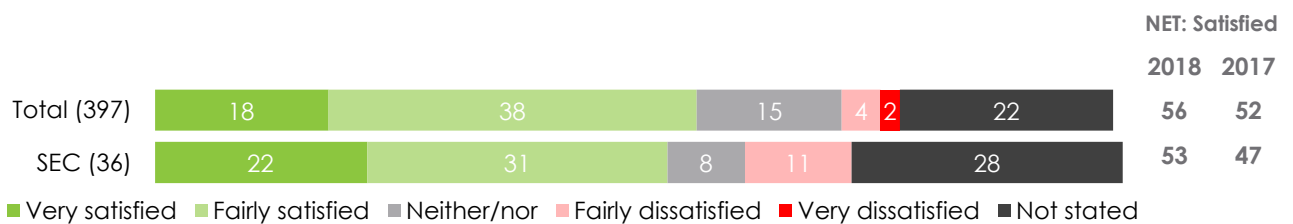
There is however room for improvement:

"I believe the Critical Friend role has to improve, there have been too many instances where the legal text and CACoP implications have not been dealt with by Gemserv."

UNDERSTANDING MODIFICATIONS

Overall, just over half (56%) of organisations are satisfied with the support their Code Administrator provides to help to understand what modifications raised by others mean for them, a similar level to the previous year.

Similarly, around half of the organisations interacting with the SEC are satisfied with the support Gemserv provides to help them to understand modifications. However, there is a small cohort (11%) of organisations that are not satisfied with the support.

						NET: Satisfied	
						2018	2017
Total (397)	18	38	15	4	2	22	56	52
SEC (36)	22	31	8	11	28	53	47

■ Very satisfied ■ Fairly satisfied ■ Neither/nor ■ Fairly dissatisfied ■ Very dissatisfied ■ Not stated

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 %)

There are some changes around modifications put forward by businesses:

"We cannot just have one system to work across everything, we should have some flexibility. They should make the effort in proportion to the change."

"I have to deal with the technical side of them. They are quite difficult to read. But because I work a lot with them, I am quite familiar. It would be great if they could be simplified (language)."

"A lot of the mods have stalled because the change has developed at too fast a pace without taking into account all the other activities."

ACCESSION PROCESS

Half of organisations found the SEC accession process easy, a quarter found the process difficult and the rest had no direct involvement with the process.

Conclusions

- Gemserv performs relatively well in some areas:
  - o Meetings perform well, with many who have attended positive
  - o Ease of interpreting information has improved from 2017

- Aspects highlighted as in need of attention include:
  - o Keeping customers using the website sufficiently informed on any changes or modification
  - o Ease of finding information on the website

"Most of the time people are doing their best but I think Gemserv are as stretched as the rest of us and they are dealing with other codes as well."