Meeting note

15:00 – 16:00, Tuesday 25 July 2023
via Microsoft Teams

BR-MeX workshop – meeting note

This note provides a summary of the key points raised by wholesalers, retailers and other stakeholders (with names excised) during the BR-MeX working group meeting which took place on 25 July 2023 (Tuesday) at 15:00pm.

The topic for discussion was the development of the R-MeX survey. The accompanying slides on our website provide further details regarding the presentation by IFF on the topic.

Participants

Organisation	Participant
Ofwat	Sean Mills
Ofwat	Mirena Hadzhigenov
MOSL	Samantha Webb
IFF Research	Jessica Huntley-Hewitt
	Ellie Hodgson
	Marc Cranney
Wholesalers	
PRT	Sam Dawson
SES	Julie-Ann Anderson
SWB	Brett Conibere
TMS	Gerard Lyden
UUW	Paul Stelfox
Retailers	
UKWRC (Business Stream)	Trevor Nelson
UKWRC (Wave)	Wendy Monk
Other stakeholders	
CCW	Adam Boynes

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Overview of BR-MeX working group discussion

Ofwat commenced by providing an overview of the progress of the BR-Mex pilot scoping stage, and subsequently introduced the main discussion topic of R-MeX.

MOSL provided an update, informing the group that the next R-MeX survey will be run as part of the BR-MeX pilot fieldwork later in the autumn. Further details will be shared through a communication piece published by MOSL in due course.

IFF outlined a summary and timeline of the proposed approach for R-MeX and informed the group of the key areas that will be included in the R-MeX cognitive testing. As part of their update, IFF also shared insights from their recent discussions with MOSL regarding R-MeX.

IFF invited input and views from the group on any issues or concerns about past iterations of the R-MeX survey and additional points that the group would like to explore in further depth.

The slide pack used during the session is available alongside the link to this meeting note on Ofwat's BR-MeX webpage [here](#).

Summary of group discussion

The next R-MeX survey:

- One retailer inquired about the period that the next R-MeX survey will cover, seeking clarification on its timeline. Further to this point, another retailer raised a question regarding potential challenges to ensuring the continuity of tracking wholesaler performance.
- In addressing these queries, both MOSL and Ofwat acknowledged that it is likely that the next R-MeX survey will encompass the period February

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2023 – August 2023. However, the survey period, as well as the continuity point, will be discussed and confirmed in due course.

Format and scope of the R-MeX survey:

- One retailer emphasised that the current R-MeX undertaking is extensive and requires central coordination to ensure a consistent approach. The retailer noted that multiple teams were involved with collating the R-MeX response. While the retailer expressed a willingness to invest time and effort, they expressed concern that once all R-MeX responses are collated in a blended approach across each wholesaler, there specific feedback could get lost. Another retailer echoed a similar point, stating that they also adopt a similar approach of a coordinated team that collects responses from various teams within their organisation.
- Additionally, one retailer and one wholesaler highlighted the need for shared clarity on the scope and time period of the R-MeX survey. They stressed that it should cover the overall retailers' experience over the last six months, avoiding skewing by focusing solely on one particular event. Furthermore, there was a consensus on the importance of clear guidance on the issues included within the R-MeX scope - for instance – clarity on excluding metering issues but focusing on bilateral operations.

Survey design and questions:

- One retailer and two wholesalers emphasised the significance of the qualitative aspect of R-MeX. They highlighted that the qualitative comments provide more actionable insights, capable of driving real changes promptly, while scores cannot.
- One retailer pointed out that the regular meetings between retailers and wholesalers should provide a channel or discussing and challenging experiences outside the scope of R-MeX. Therefore, R-MeX is particularly beneficial in cases where there are no frequent meeting with certain wholesalers.
- Another retailer suggested that the R-MeX questions should be reviewed and revised as needed. Specifically, they noted that the question about systems and notifications might not be relevant anymore following the introduction of the Bilateral Hub.

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- One wholesaler noted that to date R-MeX questions have had equal weighting, but the importance and impact of question areas can differ. Therefore, it was suggested that the pilot should explore the possibility of weighting the R-MeX questions to ensure a more balanced assessment.
- One wholesaler proposed that IFF should test out the current R-MeX survey to gain deep understanding of who is completing the survey and to identify any challenges with the current survey design.

Scoring methodology and guidance:

- The majority of the group's members highlighted the need for a clear and consistent scoring methodology along with comprehensive guidance on how scores should be provided under specific circumstances to ensure retailers are scoring wholesalers in a consistent way.
- One wholesaler raised an issue with the current scoring process, explaining that sometimes the scores they receive do not align with the qualitative comments and noted that some retailers with fewer SPIDs can be influenced by one off events that reduce a wholesalers score for a specific period.
- Other wholesalers also highlighted inconsistencies in the scoring process, in particular observations that some retailer scores were based on events that have happened previous rather than a retailer's experience within the period the survey is asking about.
- Additionally, it was noted that sometimes water-only wholesalers had in the past received scores from retailers based on wastewater processes that are the responsibility of a different wholesaler.
- One retailer shared that they have clear and well-defined internal guidance on how they apply scores and noted that it is happy to share further with the group.

Weighting retailer scores:

- One wholesaler expressed the view that introducing weighting of retailers per geographic area could be considered if and when there is a clear scoring methodology in place.
- One retailer suggested exploring the possibility of applying weighting, noting that some retailers have more frequent interactions with certain wholesalers compared to others.

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- However, one wholesaler expressed concerns about these suggestions about weighting, highlighting the risk that this would lead to wholesalers prioritising the service for the largest retailer potentially to the detriment of others.
- Another wholesaler emphasised the importance of structuring the survey design to avoid situations where retailers could use the R-MeX survey as a means to exert undue influence over wholesaler.

Check and challenge process:

- Two wholesalers noted that it seems appropriate to consider a check and challenge process for R-MeX similar to the approach undertaken in C-MeX. The wholesalers shared that they have previously been scored down for wastewater processes while being water-only wholesaler and noted that if there was a challenge system in place, their overall score could have been different.

Ensuring fairness and accuracy of the R-Mex survey:

- Two wholesalers highlighted a fundamental challenge of the R-MeX survey was the limited sample size. This leads to concerns around statistical significance and the suitability of financial incentives based on the survey.
- One wholesaler asked IFF how they will ensure fairness and accuracy of the R-MeX survey responses, especially regarding statistical significance.
- IFF responded by stating that they are committed to gathering as much data as possible to ensure a robust analysis. They explained that, depending on the circumstances and available data, they will work to make the research as statistically significant as feasible. IFF reassured the group that an experienced statistician will be actively involved in the project once the data set is received. IFF also noted that they will aim to design a scoring system that is clearly defined, and consistency utilised.

Other topics of discussion:

- Question of R-MeX as mandatory: One wholesaler raised a question to Ofwat regarding whether or not there is a view on whether the R-MeX survey will be mandatory for retailers. In response, Ofwat clarified that

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this aspect is yet to be decided and will form part of the policy development process throughout the pilot work.

- Full reform versus incremental change: One retailer asked if Ofwat is open to reinventing the R-MeX survey or intends to maintain the current scope, frequency, and format while making improvements. Ofwat noted its plan to use the current R-MeX as a base but said it is open to rethinking and implementing changes.
- Approach based on individual bilateral transactions: The retailer asked whether Ofwat had considered an approach based on individual bilateral transactions as a substitute for R-MeX. Ofwat noted that this was considered in the PR24 methodology and the idea received strong negative feedback from the industry and the idea was not included for the final PR24 methodology.
- Deadline for RFI on direct contact details: A few wholesalers noted that they might struggle to submit their response to the RFI for details of direct contacts held by wholesalers on time, noting PR24 requirements, school holidays and the annual leave period. Ofwat noted these concerns and asked wholesalers to contact them via email if they did not feel they could meet the deadline.
- Data period: One wholesaler asked IFF about the necessity of three months' worth of data for the scoping stage of R-MeX. They also suggested mirroring the approach of C-Mex. IFF clarified that they require three months of data only during the scoping stage in order to get a comprehensive overview of the available data. However, for the B-MeX pilot, they are likely to only ask for one month of data to mirror how the ongoing survey may run. In response to the suggestion, Ofwat clarified that they will be considering how and to what extent C-MeX and B-MeX should be consistent.