Meeting note

11:00am – 12:30pm, Tuesday, 5 March 2024
via Microsoft Teams

BR-MeX Industry Group – meeting note

This note provides a summary of the key points discussed by wholesalers, retailers and other stakeholders during the BR-MeX industry meeting which took place on Tuesday, 5 March 2024. We have not in this note referenced names or companies against opinions or views expressed.

The topics for discussion was IFF Research findings from the BR-MeX Pilot period and recommendations for the Shadow period. The accompanying slides on our website here provide further details regarding the topics discussed during the workshop.

Participants

Organisation	Participant
Ofwat	Shan Kent
	Mirena Hadzhigenov
IFF Research	Jessica Huntley-Hewitt
	Joe Gooding
Wholesalers	
AFW	Bernard Bradshaw
ANH	Matthew Garfield
NES	Angela Brown
PRT	Sam Dawson
SES	Julie-Ann Anderson
SEW	Katrina Johnson, Michelle Marvell
SRN	Martin Pope, Andrew Fruer
SSC	Sarah Maddaford
SVT	Nikki Stannard, Michael Rathbone

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SWB	Brett Conibere
TMS	Gerard Lyden
UUW	Paul Stelfox
WSX	Sean Larkin
YKY	Kate Russell
Retailers	
UKWRC (Business Stream)	Trevor Nelson
UKWRC (Wave)	Wendy Monk
UKWRC (Pennon)	Richard Barton
Other stakeholders	
CCW	Adam Boynes
MOSL	Samantha Webb
Waterscan	Sindiso Bango-Dube

Overview of BR-MeX Industry Group session

Ofwat commenced by outlining the aims and agenda for the session. IFF provided an overview of their approach for the BR-MeX Pilot period noting that they are now in the final stage of analysis and reporting, aiming to publish Final report and Guidance documents towards the end of March/early April.

IFF outlined the B-MeX Pilot analysis, including the sample quality and outcomes; the Pilot survey findings and qualitative feedback; as well as recommendations for running B-MeX in Shadow period. Details could be found in the IFF Research slide pack (slides 7-35) alongside the link to this meeting note on Ofwat's BR-MeX webpage here.

IFF also outlined the R-MeX analysis, including cognitive test findings; Pilot survey results; as well as recommendations for running R-MeX in Shadow period and options for the R-MeX scoring system. Details could be found in the IFF Research slide pack (slides 36-45)s alongside the link to this meeting note on Ofwat's BR-MeX webpage here.

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Summary of group discussion on the B-MeX Analysis

Comments on sample weightings and quotes

- One Wholesaler stated that in C-MeX it was necessary to achieve the same sample size for each company to ensure a robust overall sample. However, BR-MeX operates differently. Since samples vary for each company, attempting to apply weights could result in an unrepresentative distribution across geographic areas.
- Based on the pilot data, IFF explained that there's a significant disparity in the number of contacts amongst Wholesaler. While it's uncertain if the pilot sample is entirely representative, it appears that the sample size for small wholesalers will be significantly smaller compared to larger wholesalers. It doesn't seem logical to cap everyone at the same level, especially considering the volume received from the pilot for the smallest wholesalers. IFF may need to contact all their contacts, yet still not reach the level of larger wholesalers.
- IFF explained that weighting is conducted within individual wholesalers, rather than across the entire industry. However, there's a need for some level of harmonization in the received data to facilitate efficient processing. Harmonization across wholesalers is around using consistent categories, not harmonisation in terms of weighting. This ensures that data processing can be carried out smoothly and without excessive guesswork on categories, reducing delays and additional costs.
- Wholesaler supported the notion of categories, recognising that there is a diversity of systems and processes involved. One Wholesaler urged that harmonisation is consistent with the reporting for C-MeX to allow for matching steps in sample reporting as much as possible.
- Another Wholesaler urged IFF to include in their final report a description on the statistical approach for weightings.

Comments on sample representativeness

- CCW raised a point about the representatives of the survey, noting that it's essential to consider factors such as business size.

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- IFF clarified that the sample population comprises everyone who has had contacts with the wholesaler, not necessarily the entire business customer base. Targeting business size was challenging as many did not have this information in the sample provided. However, IFF noted that if all wholesalers could provide this information, we could factor in business size as well.

Views on reasons for contact

- One Wholesaler pointed to lessons learnt from C-MeX where for example customer explanations during calls often revolved around meter issues while closer examination of the call suggested it actually concerned addressing leaks.
- Another Wholesalers noted the difference between reasons for direct vs reasons for indirect contacts. For direct contacts, the primary issues often pertain to water and wastewater services, while indirect contacts address different areas. Another difference is that direct contacts require very little reminder of who the retailer is, and categorizations appear more relevant for them as their reasons for contact vary. To address these differences, the front and back end of the survey should be fine-tuned based on the type of contact.
- In terms of the profiling questions (front end of the survey) IFF commented that in order to prevent confusion and ensure relevant feedback from everyone, it's crucial to provide information on differentiating between water and retail issues. This is particularly important for indirect contacts, where more time may be spent on clarification. Incorporating reasons for contacts serves as a means to double-check and gauge customers' understanding of the situation. If needed, IFF will explore the possibility revising these questions.
- One Wholesaler commented on IFF's approach on ruling out whether contacts should be considered not eligible for the direct contact sample, noting that there is a difference between business and household customers and suggested IFF define guidance to avoid unnecessary ruling out.

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Other considerations

- There was general agreement on IFF's recommendation, in particular that the B-MeX is conducted as a telephone survey, as telephone surveys achieve better response rates than online surveys, which will ensure the results are more robust; as well as IFF's recommendations regarding clear and understandable info on contact.
- One Wholesaler noted a point for consideration around a possible gap between the timing of when an issue is closed according to the customer versus closure date in the Bilateral Hub (with actions taken).
- Another Wholesaler asked if there is a possibility to split the results into direct versus indirect as these are two different customer journeys. IFF confirmed that that's possible.
- There was a question on the practical aspects and logistics on how B-MeX will work in the Shadow period. Ofwat noted that this will be discussed and confirmed in due course an alignment with C-MeX will be taken into account, where possible.
- Wholesalers also queried if Ofwat is considering a check and challenge process similar to C-MeX. Ofwat noted that we are considering this point.

Summary of group discussion on the R-MeX Analysis

Views on proposed options for the scoring system

- Overall, participants were not in favour with the option to adopt a less granular scale of 1 – 4 due to the scale being too restrictive; having no middle score; potential clustering issues; inconsistency with C-Mex.
- In general, participants seem to be in favour of the "centring approach" option to adjust the raw 'overall satisfaction' score to neutralise impact of any inconsistencies in retailer response style (which is an issue raised in previous R-MeX discussions). There was an agreement that this option seems a more consistent and fair way given that not all Retailers score all Wholesalers.
- Some Wholesalers pointed out that when designing the scoring system we should avoid over-engineering. It's crucial to consistently explain how

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the score is compiled, aiming for simplicity and consistency. One Wholesaler suggested clear definition for all scores will eliminate the need for over-engineering.

- Wholesalers queried if IFF tested this option on previous surveys. IFF confirmed that the test shows some changes of mainly some wholesalers moving a rank up or down, but in general the top and the bottom rated wholesalers were unchanged.
- IFF could share the result of this centring approach in the final report to illustrate how it works in practice.

Other considerations:

- One Wholesaler inquired about the reasons why some Retailers do not complete the R-MeX survey. MOSL clarified that during the Pilot stage, all usual Retailers and an additional Retailer participated in the survey. MOSL has not pursued those who have not completed the survey but remains open to reaching out to those Retailers if there is interest from Wholesalers.
- There was a question on why only the overall service rating will be used in final BR-MeX score. Ofwat clarified that this is in part due to a desire to retain simplicity of approach, but also because the overall service rating captures and reflects views across all elements of a wholesaler's service.
- Participants also asked if recordings from B-MeX interviews will be available. Ofwat noted that no interviews from the Pilot will be available. Ofwat understands that feedback from customers may be useful for wholesalers to improve service and suggests it may be worth exploring if this could be feasible in an aggregated and anonymized manner.

Next steps:

- IFF will publish its Final Report from the Pilot stage in late March/April, taking into consideration points raised during the session.
- Ofwat will schedule a Working Group on R-MeX to discuss the points raised above in further details towards the end of March/early April.