

Bilateral Deferral Audits (December 2024 to June 2025)

Problem Statement

There are legitimate circumstances under which a wholesaler, despite best endeavours, is not able to meet an SLA. It is important to ensure that deferrals are not applied outside of the defined legitimate circumstances as they delay the resolution of bilateral requests and can be detrimental to customers.

Associated risk or issue	Customer Impact
CSE013 Inadequate wholesaler service - with HH customers prioritised over NHH customers and inconsistent application of policies	9 – Critical Impact

Potential audit

This audit would aim to understand the impact of the various permitted reasons on overall completion time for bilateral requests and how common are instances of non-compliance with the deferrals permitted reasons. It would provide an opportunity to assess any market-wide impact of the best practice guidance published as a result of the audit conducted in 2023-24.

Other factors

- Deferred SLAs can impact performance scores on bilateral requests. Given that resolving bilateral requests within the code-mandated SLAs will be incentivised under BR-MeX from April 2025, it is more crucial than ever to assure the compliant use of deferrals, to ensure that BR-MeX applies fairly.
- This audit has received support from the PAC and has begun in January 2025. The delivery will overlap into 2025-26, with the possibility of extending the scope and the timelines depending on the identified impact of the new MPF metrics coming into force in April 2025.

Outcome

Included in 2025-26 planned audits