

Minutes of Disputes Committee Meeting 42

10 June 2024

Via MS Teams

Status of the Minutes: Approved

MEMBERS PRESENT

Rick Hill	RH	Chair	Gordon Adams	GA	Committee Member (Retailer)
Dylan Freeman	DF	Committee Member (Wholesaler)	Matthew Glover	MG	Committee Member (Retailer)
Mike Rathbone	MR	Committee Member (Wholesaler)	Neil Pendle	NP	Committee Member (Retailer)
Matthew Rix	MR	Committee Member (Wholesaler)	Peter Strain	PS	Committee Member (Retailer)

OTHER ATTENDEES

Charles Unvala	CU	MOSL Presenter	Alexander Cowie	AC	Disputes Secretary
Andrew Johnson	AJ	MOSL Observer	Markus Lloyd	ML	MOSL Observer

APOLOGIES

Barry Matthews	BM	Committee Member (Wholesaler)			
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1. Welcome and Introductions

Purpose: For Information

- 1.1. The Chair welcomed all attendees to the Disputes Committee (“Committee”) Meeting 42 and noted that apologies for absence were received and accepted from BM. The Chair confirmed that the meeting was quorate.
- 1.2. The Chair invited new and existing members as well as the MOSL support team to provide brief introductions.

- 1.3. The Chair noted that, although no Disputes had been raised in the past year, there had been a number of Pre-Disputes that he had been made aware of and that, in his view, the ability of trading parties to resolve these Pre-Disputes without the need to raise them as formal Disputes or to refer them to the Committee was a positive sign for the market.
- 1.4. The Chair drew attendees' attention to the need to comply with applicable law, notably competition law and that any actual or perceived conflicts of interest should be declared at the start of the meeting or at such point as it becomes apparent to any member that there may be a conflict. No conflicts of interest were declared.

2. Introductions

Purpose: For Information

- 2.1. Committee members and members of the MOSL support team briefly introduced themselves.

3. Disputes Committee Annual Report

Purpose: For Decision

- 3.1. CU provided an overview of the contents of the draft Disputes Committee Annual Report 2024, which it is required to produce for the Strategic Panel on an annual basis. Broadly the draft report noted:
 - That there were no new or outstanding Disputes under the Unified Disputes Process.
 - That a number of changes to the working practice of the Committee had occurred during the year, namely:
 - the use of the Pre-Disputes Query in MyMOSL and the use of the Disputes Form;
 - changes to the Committee's Terms of Reference following the Disputes Process Review;
 - the Recruitment of new members of the Committee; and
 - the introduction of 'Supplemental' Members who could be called up to the Committee from the Strategic Panel or other formal committees on an ad hoc basis.
 - The proposed Code change CPM054 and CPW145 'Deductions and withholdings under formal Disputes Process', recommended by the Disputes Process Review, which was awaiting a decision from Ofwat.

3.2. The Committee briefly discussed the draft Disputes Committee Annual Report, noting that while the report was factually accurate, additional information should be added to the Disputes Committee Annual Report on the number of Pre-Disputes raised and the nature of those Pre-Disputes, without giving any detail on the identity of the trading parties involved or the specifics of the Pre-Disputes. Adding this information would help highlight to the market that the Disputes process was working (even in the absence of any formal Disputes) and information on the nature of the Pre-Disputes raised would provide the Strategic Panel with some sense of areas of market friction. It was agreed that DC Secretariat would add information on the number and nature of Pre-Disputes to the Disputes Committee Annual Report.

ACTION DC42_01

3.3. A Committee member raised a concern that the Strategic Panel was not getting sufficient sight of the nature of frictions in the market that could be seen by an analysis of the Pre-Disputes or other enquiries raised to the MOSL team. ML suggested that, going forward, the MOSL team could engage with the parties raising items that were potentially disputes outside the established Pre-Disputes process, on a personal level and check on their comfort level around details of their discussions being shared with the Strategic Panel in a sufficiently anonymised manner. It was agreed that the Chair and the MOSL team would review to determine whether and how additional information could be provided to the Strategic Panel.

ACTION DC42_02

3.4. A Committee member raised the question as to when a decision was expected from Ofwat on CPM054 and CPW145 'Deductions and withholdings under formal Disputes Process'. It was noted that this change had been recommended by the Code Change Committee in October 2023 with a recommended implementation date in January 2024. Committee members expressed concern at the time being taken to reach a decision. It was therefore agreed that AJ would contact Ofwat on behalf of the Committee to request an update on the timeframe for decision and that he would brief the Committee on the outcome.

ACTION DC42_03

3.5. Following discussion, the Committee:

- **AGREED** to endorse the Disputes Committee Annual Report subject to the addition of information on the number and, to the extent possible, nature of Pre-Disputes and enquiries that had been raised.

To promote, challenge and lead the operation and evolution of the market for the benefit of business water customers.



4. Any Other Business (AOB)

Purpose: For Information

- 4.1. The Chair put on record his thanks to all the existing members for their time and expertise in support of the Committee over an extended period, noting that the success of industry self-governance was dependent on the continued commitment of industry representatives.
- 4.2. There being no further business the Chair closed the meeting.

The next Disputes Committee meeting is scheduled for: 06 November 2024 via MS Teams