



Minutes of the Market Performance Committee

Meeting 38

27 May 2020 | 10:00 – 15:45

Held via Teleconference (Microsoft Teams)

Status of the Minutes: Final

MEMBERS PRESENT

Elsa Wye	NS	Interim Independent Chair; Outgoing	Martin Mavin	MM	Alternate Wholesale Committee Member
John Vinson	JV	Independent Support to the Chair	Jesse Wright	JW	Wholesaler Committee Member
Claire Yeates	CY	Retailer Committee Member	Trevor Nelson	TN	Retailer Committee Member
Mike Rathbone	MR	Wholesale Committee Member	Wendy Monk	WM	Retailer Committee Member
David Seymour	DS	Alternate Wholesale Committee Member	Mike Brindle	MB	Retailer Committee Member
Pamela Taylor	PT	Independent Member	John Gilbert	JG	Incoming Interim Chair

OTHER ATTENDEES

Darren Hayes	DH	Ofwat Presenter	Pam Nash	PN	MOSL Representative
Steve Arthur	SA	MOSL Presenter	Adam Boyns	AB	CC Water Presenter
Markus Lloyd	ML	MOSL Presenter	Michelle Burns	MB	Water Plus Representative
Samantha Webb	SW	MOSL Presenter	Milo Halford	MH	MPC Secretary
Liz D'Arcy	LD	MOSL Presenter	Alexandra Piper	AP	MOSL Presenter
Luke Austin	LA	MOSL Presenter			

APOLOGIES

Gerard Lyden	GL	Wholesale Committee Member	Don Maher	DM	Wholesale Committee Member
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1. Welcome and Introductions

Purpose: For Information

- 1.1. The Chair began by welcoming the members of the Market Performance Committee and introducing attendees via Teleconference.

2. Minutes and Outstanding Actions

Purpose: For Decision

- 2.1. The Chair began to go through the minutes for the previous meeting of the MPC.
- 2.2. PT raised that she had been erroneously labelled as a MOSL representative on page 1 of the previous minutes. It was agreed to correct this.
- 2.3. The minutes were approved, given the above change.
- 2.4. The Chair asked the committee if they were happy to close actions **A26_02** and **A36_03**, to which there were no objections.
- 2.5. The following actions were agreed to remain open: **A30_05, A31_05, A35_05, A36_04, A36_08, A36_12, A37_03, A37_01, A37_04, A37_05, A37_08, A37_09**.
- 2.6. The following actions were agreed to be closed: **A35_09, A36_02, A36_03, A36_10, A36_11, A37_02, A37_06, A37_07**.
- 2.7. MOSL relayed that the general consensus at the Panel meeting 43 on the Escrow agreement was to move forward with a code change, whilst continuing the work that the MOSL digital team had been doing. There was also a brief discussion around MOSL's obligation to produce summary minutes on meetings of the board.
- 2.8. A member suggested leaving action **A37_08** open until the Panel had made a formal decision, although it was recognised that the onus would lie with the Panel in the first instance and not the MPC. This was agreed and the action remained open.

3. Ofwat Update

Purpose: For Information

- 3.1. The Ofwat Presenter discussed a recent consultation on Customer Protection Code of Conduct (CPCoC). They mentioned that Ofwat were likely to extend the use of the COVID-19 flag in relation to retailers setting premises as vacant. They stated that liquidity support measures are currently set to last until 31 July, but further action will rely on data provided by retailers regarding the deferred payment scheme.



- 3.2. A member raised concerns around localised restrictions over national ones, as different regions of the country may be asked to ease/restrict measures at different rates, potentially impacting duties and obligations in several areas.
- 3.3. A member stated that with the limited opening of certain premises, the vacancy flag may no longer be the appropriate way forward. There would be consumption drops of less than 95%, but substantially less than normal which may become problematic when compounded with limited meter reading services. The Presenter stated that this will be a key area during the transition point and important for Ofwat to bear in mind. The Chair asked for this to be picked up during the relevant COVID-19 section of the meeting.
- 3.4. MOSL raised that Ofwat's need for consultation may impact the transition to normal, and that it was crucial they properly communicated the evolving process to customer. The Presenter stated that this was standard practice for the regulator and likely to be the case with any such change to the CPCoC, but that they would need to pay due consideration to this. MOSL went on to ask how Ofwat would communicate this, as well as the resumption of standard activities such as payment chases and disconnections. The presenter responded that he was not in a position to answer but that he would raise it with the appropriate team.
- 3.5. A member raised concerns around the extended and inconsistent use of the COVID-19 flag and mentioned that Ofwat should also consider not extending the use of the flag, stating that Ofwat will eventually need to begin implementing mechanisms to assist a return to normality. The presenter agreed that it was good practice to pay proper consideration to both options, but they were of the belief that balance was needed as the government allowing businesses to reopen had not led to immediate relief. They stated that it was highly likely the flag would be extended. The member responded that as some customers are still charged for vacant premises, depending on wholesaler policy, inequality existed as only vacant businesses were currently receiving the level of support.
- 3.6. The independent support to the Chair asked if any consideration had been given to retailers looking at the issue from a debt management perspective. The Presenter asked for clarification. The independent clarified that there was an exercise identifying those that can't pay and those that won't pay. A member stated that this was the nub of the change within the CPCoC; either they are completely closed, or they are trading but impacted by COVID-19. The independent confirmed that this addressed the query raised.

4. CC Water Update

Purpose: For Information

- 4.1. The CC Water Presenter gave a brief update on complaints, highlighting that contact levels are low at the moment for both Non-Household and Household. They stated they had seen a 52% decrease in NHH complaints between March and April, which was expected to continue in May. They stated there would be an estimated 220 complaints across both April and May representing a 65% drop compared to the same time last year.



- 4.2. The Presenter stated that they had received just below 100 complaints so far in May of which only 7 related to COVID-19. These letters were related to concerns around debt recovery, letters sent to vacant premises and mistimed collection notices. They mentioned the complaints were still in the early stage of investigation so circumstances surrounding them are not yet known, but the initial reports were concerning. They mentioned that if there are repeated instances of this it may be raised to Ofwat but noted that relevant changes to the CPCoC may allow these activities to resume.
- 4.3. The Presenter mentioned that due to COVID-19 there were many complaint cases pending as a result of restrictions.
- 4.4. The Presenter corrected a point raised at the last meeting relating to the release of CC Waters NHH annual complaint report, stating that it would not be released on 9 July but instead during w.c. 20 July. They stated that CC Water had received most retailer complaint data and would now be analysis key themes found throughout.
- 4.5. The Presenter stated that the CPCoC would be important for work CC Water was carrying out and that they are awaiting documentation from Ofwat at the end of the current week. They recognised that a return to normal must start at some point but raised concerns around those experiencing financial hardship from being closed and expressed a wish to make sure protection for this group was as strong as possible. The Presenter clarified that CC Water wanted to make sure that there was some level of tailoring to payment plans to ensure adequate protection.
- 4.6. The Presenter raised a point around CC Waters schedule research around testing waters. They stated that field work would have begun already if not for the current restrictions, and that the undertaking research company had advised that if they were able to start by the end of June the work could be finished by the end of the financial year 20/21. They stated that this was a push back from the original planned finish at the end of calendar year, but that this was unavoidable.
- 4.7. A member raised that one retailer had adopted a different approach to the other retailers in the market regarding setting premises to vacant with the COVID-19 flag. They stated that other retailers had used SIC codes, or other similar classifications, to determine sites that were highly likely to be closed due to not being essential and had marked these as vacant accordingly. The individual retailer in question had been only been marking sites as vacant where they had been directly contacts by the customer and instructed to do so. The member raised concerns that this method relied on the customer being proactive and not the retailer, which could be problematic as they may not be aware of this as an option.
- 4.8. The member went on to state that they were surprised CC Water had not raised an issue with this and asked the Presenter if they thought that only marking sites vacant due to customer contact was the right approach. The Presenter responded that they also found this concerning and that the retailer should be taking more proactive steps to provide protection to customers as opposed to relying on their proactivity. They went on to state that they would raise this with colleagues at CC Water. MOSL commented that there was disparity in the extent to which approach had been taken by retailers, but that this particular retailer remained an outlier.



- 4.9. MOSL mentioned that previous messaging around use of the flag had been clear but asked the Presenter what role CC Water could play as advice became more nuanced and certain elements of the NHH market began to open – specifically, how could they use their experience to get a difficult message out. The Presenter agreed it would be difficult and that their comms teams are going to have to start work on simplifying the message as much as they can, but that they are not currently in a position to comment. MOSL stated that it would be more effective if Ofwat, CC Water and themselves presented a united front as opposed to offering fragmented messaging in order to gain the broadest reach possible with consistent messaging. The Ofwat representative stated that a coordinated piece will be required with more stakeholder engagement and that the 3 organisations would need to flesh out a plan.
- 4.10. A member suggested that a reason for the reduction in complaints may be related to COVID-19 activity and it not being a top priority for customers at the moment, and that CC Water should prepare for an influx of complaints when restrictions were lifted. The Presenter responded that this was likely the case and that they were braced for a surge in complaints, both relating to, and not relating to, COVID-19. The member stated that this made it hard to properly gauge the impact of COVID-19 on customers until after the fact. The Presenter went on to say that CC Water would need to amend its reporting not only to attempt to factor this in, but also to consider the complaints that had been suspended due to wholesalers not being able to carry out site visits.
- 4.11. The member asked whether they felt this was an issue for the MPC to deal with, or one that should be left to CC Water and Ofwat. The Presenter responded that their primary concern was whether customers were seeing a bill, and if they weren't it fell out of their main area of focus. They went on to state that if settlement is not suspended, due to various wholesaler vacancy charge policies, then there is always a risk of the end customer receiving a bill for a period of vacancy. The Ofwat representative mentioned that a lot of work had done on determining what constituted an appropriate use of the COVID-19 vacancy flag, and that the MPC needed to look back towards the initial intention of the flag to determine if it was being used properly. MOSL added that they felt it was an issue the MPC should consider, and that Ofwat should be available as a point of escalation.

ACTION: MOSL to reach out to Water2Business to flag that their activity regarding use of the vacancy flag had caused concerns with several governance groups, and that concerns had been raised on the potential impact on customers.

A38_01

- 4.12. A member raised that there would be outliers on the other end of the spectrum as well and that MOSL and the MPC needed to look into not just excessive use of the COVID-19 flag, but conservative use as well. The member stated the need to recognise that this was very much a moving piece and some people may be scrutinising decisions that may have been appropriate given the information at the time. They continued that every retailer has had to interpret ever changing guidance themselves and from a CC Water perspective there were bound to be variations.
- 4.13. A member raised that whilst the flag may be beneficial to customers, there was scope for retailers to misuse it in order to gain a competitive advantage. The Chair acknowledged that there may also be commercial drivers at play.

- 4.14. A member stated that that the concern was the extent of the differential, with extremes on both sides of the spectrum. It was recognised that the outliers should be assessed and that the aspiration was to reduce the breadth of the differential going forwards.

5. COVID Update and Discussion

Purpose: For Discussion and Decision

- 5.1. MOSL began by presenting slides on the work undertaken by the MPC subgroup around guidance for what constitutes a vacant premises. They stated that they had performed scenario analysis to provide a proposal for additional guidance. They provided examples on which premises should be marked as occupied, such as premises using only outdoor spaces or that were under refurbishment, and which should be marked as vacant, such as those that were only subject to periodic water testing.
- 5.2. MOSL stated that in the event of one supply feeding several NHH premises with only some sites closed, then the supply should be marked as occupied if the net consumption across all premises met the threshold. They also stated that premises accommodating key workers only should be marked as occupied but raised that this had been contentious.
- 5.3. MOSL stated that in the event of split premises where the NHH customer was closed they should be marked as vacant if the NHH customer made up the majority of the consumption but that they should be marked as occupied if the non NHH customer made up the majority of consumption.
- 5.4. A member asked why this was the case, as in these instances he NHH premises essentially only had water flowing through it and was not actually registering any consumption. Another member responded that there were two points; one is when the retailer becomes aware of the flat above them, which was unlikely to happen, and the other was when usage had declined to 5% standard usage. They stated that retailers often don't have the relevant information on split supply or the ratio of the split. A third member clarified that a retailer would see the combination of the HH and NHH sites as a single split premises and would be unlikely to have additional information beyond that. The Chair stated that this had clearly caused some confusion and would be worth clarifying further when the guidance was issued.
- 5.5. A member mentioned that this was more focused on standing charges and getting a consistent message for all retailers, so that they knew the circumstances for when to change occupancy status. They agreed around the need for more clarification on the shared supply point.
- 5.6. A member expressed concern that this was not an exact science; there had been an update that stated if a customer was trading in a limited capacity then it should be marked as occupied but wondered what action to take if this constituted less than 5% of their normal usage. Another member responded that it was purely guidance, not black and white, and in these circumstances best judgement would need to be employed.
- 5.7. A member asked to what extent the guidance was enforceable. MOSL mentioned that CPW091 had referred to the guidance, but that not following it would not be directly breaking the codes. The Chair stated that the benefit of it not being code defined allowed it to be more flexible and retained the ability to be produced iteratively as a reaction to what was being observed in the market.



- 5.8. The Ofwat representative stated that it was around getting back to consistency, and that while some of the points laid out within the guidance hadn't resulted in full agreement that was largely a consensus in approach. They stated that retailers will need guidance to fall back on as the transition period occurs, which is the primary aim of the guidance. It was recognised that the next iteration of the guidance could be viewed as drawing a line under previous inconsistency of application and the expectation was that this would ease going forwards, further it was recognised that there may be a need for intervention if appropriate.
- 5.9. MOSL introduced the concept of a Market Hub to collate information from a variety of data sources to produce a consolidated view of market effectiveness. The hub would provide a number of high-level figures along with more granular information, with input from Kissflow. They clarified that the hub itself was not a metric but influenced by metrics.
- 5.10. A more granular Trading Party view of the hub was shown, with metrics around Operational and Financial effectiveness as well as customer experience.
- 5.11. A slide was presented stating additional functionality the hub may include segmentation by industry and input from customer asset data and consumption data workstreams.
- 5.12. MOSL asked the MPC for validation and direction, as well as enquiring whether the MPC felt and additional support was warranted from the committee themselves. The Chair asked for clarification around times frames and next steps from MOSLs perspectives. MOSL stated it was not a formal project, but that work would have to conclude reasonably soon to assist in monitoring COVI, although mentioned that the hub had purpose beyond COVID-19. They stated that accurate timeframes would require knowledge on additional requirements but that they were aiming for July at the latest.
- 5.13. A member stated that the hub included useful information but that the MPC were missing a piece around what transition would actually look like, as this would guide how the information was used. MOSL responded that they don't yet have the answer to that question and that it would not rely solely on this piece of work. The Chair asked about triggers for various stages of transition. MOSL responded that this isn't a direct science, and that the hub provided a more holistic view of the market allowing view of wider contributors in order for more detailed work to be carried out based on findings and that it in itself was not an answer to the question of transition. They clarified that the aim of this section was to find out if the MPC felt that there was any information they would like to see as part of the proposed hub.
- 5.14. The members stated that it looked visually slick and very comprehensive, but that they were unsure how to comment on what it may be missing as they did not yet know the question that it may assist in answering. They stated that at the moment it looked good, but they needed a wider context before they could input whether anything needed to be added and recommended that MOSL think about that.
- 5.15. A member stated that it needed a true purpose or else it may just become a resource heavy way of stating that someone is in trouble and questioned whether it would reach a point where the effort outweighed the benefit.



- 5.16. MOSL stated that the thing missing is an expert eye on ‘what good looks like’, and that was the input that would be most beneficial. The Chair stated that it may be worth having a small subgroup to work on some high-level questions. A member mentioned that before a subgroup was considered it should be considered where the hub’s value comes from. They elaborated that it sounded like an internal tool, due to confidential information, but enquired around the breadth of the hub, what it would show and what the value was for the members.
- 5.17. A member stated that MOSL should be clear what parts of the hub were for MOSL’s own benefit, and which parts would be of use to the market as a whole.
- 5.18. It was decided that a subgroup may be too large a requirement, and The Chair recommended that two members have a call with MOSL to discuss some high-level requirements. TN and JW volunteered to assist, with AB offering input on how CC Water data could feed into the hub.
- 5.19. MOSL stated that they issued a notice to all retailers stating that they were required to provide a written statement on their compliance with the issued vacancy guidance. They explained that, at a minimum, an email was required stating that they were acting under the guidance but that they had also asked to provide further details explaining their individual approach to COVID-19 vacancy, where possible. The responded had been categorised as to whether the minimum was provided (category 1), a brief explanation was provided (category 2) or a detailed explanation was provided (category 3). MOSL stated that they had received 10 category 3 responses, 5 category 2 responses and 10 category 1 responses and that 99.35% of all vacancy changes had been covered by a compliant response.
- 5.20. MOSL stated that this analysis was carried out at the time of the deadline, but since then an additional three of the twelve non-respondents had provided a response.
- 5.21. MOSL stated that the majority of activity relating to vacancy had been undertaken within the final 4 days of a given reporting period, and that 91.9% of all vacancy changes had been explicitly marked as being due to COVID-19. A member mentioned that Castle Water had the highest prevalence rate of non COVID-19 labelled vacancy and raised a concern that this may impact the waste retailer in the case of premises with split service providers. There was some confusion around exactly how the vacancy numbers had been reported, and MOSL were asked to inform the MPC for clarification after the meeting.

ACTION: MOSL to clarify details around how vacancy figures are reported, and the potential impact on premises with split service providers.

A38_02

- 5.22. MOSL presented a slide around the number of VOA updates submitted since 16 March. A member asked for clarification as to whether MOSL required additional VOA submissions and whether retailers were required to work on getting this information to wholesalers, given that VOA classifications are a wholesaler owned data item. Another member stated that they couldn’t see how an obligation could be placed on retailers to update a wholesaler data item, particularly if it had only been laid out in a guidance document. A third member stated that they felt this was a red herring and that there were more important issues to focus on than VOA transaction data, as this only looked at information



submitted into CMOS by wholesalers and did not pertain to how these were being logged into retailer systems.

- 5.23. MOSL presented some high-level figures around YVE amendments, showing that the number of submissions had become fairly stagnant but there had been an impact on settlement in terms of an increase in the number of supply points settling on the YVE cap.
- 5.24. MOSL provided an update on meter reading, stating that the number of reads submitted had reduced since COVID-19, and that there had been an increase in the proportion of estimates submitted. Transfer reads had seen extremely high rejection rates of around 98% in the month of May, continuing from April. It was also stated that read rates were currently increasing again but not significantly.
- 5.25. A member stated that they felt there may be an incoming problem where sites becoming no longer vacant could lead to a spike in unread meters and asked whether this was a cause for concern. They stated it was worth considering the impact on performance metrics and charging, citing reputational impact. Another member stated that they had begun to see meter reading services ramp up again but had not returned to pre COVID-19 levels. They stated that their organisation was trying to understand the potential impacts of this and whether it would result in a few months of catch up or lead to more significant difficulties down the line. MOSL stated that the current intelligence MOSL had was gathered by the Portfolio Managers but that they were working on a more formal way of assisting trading parties return to BAU activities.
- 5.26. A member raised that there was significant difference in vacancy levels amongst retailers, implying a wide difference of understanding and consistency across the market. They asked how this would be addressed and what would be done about cases where it was discovered that use of the flag had not been used appropriately; would there be penalties or enforcement? Another member stated that it was established on day one that any inappropriate use would be picked up on, and asked MOSL how they intended to do this.
- 5.27. MOSL enquired whether the MPC wanted to be sure that MOSL had assurance that they could correctly identify outliers in terms of process and that appropriate intervention or penalties could be implemented. They mentioned that following discussions with Ofwat there were no specific penalties yet but that the right was reserved to ask people to revert vacancy changes, backdating them appropriately. It was also clarified that there was a substantial piece in the MPOP around mapping of vacancy post COVID-19, as well as looking at vacancy incentives. MOSL stated it was also working on early key reporting areas potentially leading into the creating of APIs and a general framework for vacancy, leading into incentivisation.
- 5.28. The Chair clarified that this was more of a short-medium term piece. A member stated a concern around the short-term unwinding of the issue, especially around not consistently utilising the flag, and if MOSL had clear visibility where APIs should be applied.
- 5.29. The Ofwat representative stated that in the shorter term the ability for agility should be retained, following up with particular outliers and then, if given any serious concern, scope for some sort of quick escalation.

- 5.30. MOSL stated that if this was an issue of questioning and challenging behaviour, then using market trends and differentials to highlight outliers to raise to the MPC was the quickest turn around for a short-term piece but welcomed input from the members.
- 5.31. A member asked for clarification around the tools at the MPCs disposal and whether there were options beyond reverting use of the vacancy flag. MOSL responded that further intervention may be needed and that Ofwat had been asked to formulate a written response to this. They elaborated that the role of the MPC is to gather intelligence, supplied by MOSL, highlight any organisation that needed further questioning and then in light of that, determine if they needed to be referred to Ofwat.
- 5.32. A member highlighted that vacancies that hadn't been correctly flagged as due to COVID-19 could be unpicked, and that they felt the primary area of focus for MOSL should be ensuring accurate use of the flags and feeding back the challenge process to the MPC. MOSL responded that CPOW091 laid out certain reporting requirements to the Panel as a bare minimum. There had been discussions around certain metrics, but that it was now necessary to raise a challenge process around inappropriate use of the flags which could in turn be used to help establish outliers.
- 5.33. The Chair asked MOSL around timelines to which they responded that would look to gain more information by the time of the next meeting. MOSL also raised that in Panel there was a note around audit function, as assurance would need to be attained relating to the data and issue assurance statements.

ACTION: MOSL to feedback the next iteration of assurance that can be given to the committee at the next MPC meeting, regarding retailer compliance with CPW091.

A38_03

- 5.34. A member stated that due consideration also needed to be paid to the large impact flag usage had on non-volumetric charges.
- 5.35. A member asked if usage would be charged and that there was a need for clear guidance on how vacancy charges worked. A member raised that if there was consumption during a period of vacancy it would be charged for either before or after the vacancy period but stated that they would like more information around the various vacancy charging schemes employed by wholesalers. A Portfolio Manager commented that there were wide differences in the processes wholesalers used across the market.
- 5.36. A wholesale member stated that they were clear on how vacancy charging worked but that they were unaware of what knowledge the customers had of this and which wholesalers employed which methods. They stated that there was a broad spectrum of impact relying on what postcode the customer happened to have, and that they thought that in most cases the customer would end up being charged for consumption during this time. The member clarified that the vacancy approach was employed to further reduce estimation and reduce customer bills – not remove them entirely. Another member clarified that non-volumetric charges vary from 1-35% of the total charge. The CC Water representative stated that they wanted to make sure they got clarity for the customer on the impact this would have on them.



- 5.37. A member asked the MPC were fulfilling their purpose and what exactly was their role when talking about COVID-19? The Ofwat representative responded that MOSL acquire a high-level view and that MPC's view was around performance. They stated that info around the vacancy flag and YVE adjustments would be shared twice monthly, by agreement, to understand if there was need for enforcement intervention. A member expanded that they felt the MPC's duty was to determine that trading parties were doing things correctly, and that they determine whether the performance changes they were seeing were appropriate.
- 5.38. A member suggested that the previous suggestions would require a framework of approach, and that the high-level data currently provided highlighted a difference in approach but not whether this suggested misuse. They suggested a need for criteria and a need to be careful to not introduce things retrospectively without clear warning of consequence. The Chair stated that under CPW091 there had been a discussion at Panel which specified the need to monitor the efficacy of CPW091 and follow up appropriately. It was suggested that the MPC should follow up on trading party engagement and that they were not quite meeting this brief.
- 5.39. MOSL raised that a framework would be sought to help the transition out of COVID under the MPOP. The Chair stated that they felt this was more of a long-term solution and that action needed to be taken in the short-term, summarising there was a piece of work around CPW091 is followed in the near future and how concerning behaviours should be addressed.
- 5.40. The incoming Chair stated that they felt there was potentially some confusion around the responsibilities of the MPC. They stated that there was a better process for the flow in information and insight from MOSL into the MPC, and then turning this into action. They asked the MPC if there was anything MOSL should take away in order to feed better insight into the committee in order to avoid circular debates.
- 5.41. A member asked whether there was merit in a couple of members setting out to answer key questions around data monitoring and assessment to gain more clear-cut goals for what should be attained from the data. Another member replied that they felt the MPOP looked able to deal with this on a larger scale, but that the issue was around MPC should doing in the short term and how they can direct MOSL to provide insight.
- 5.42. The Chair returned to the issue of the guidance and asked if the MPC were comfortable for it to be issues with the caveat of clarifying the point around split premises. The MOSL presenter for the section suggested that they were still expecting comments around transaction types. A member responded that they were under the impression it was still up for final review from the subgroup and that it should be issued afterwards. The group agreed with the approach and there were no objections.
- 5.43. The Chair stated that it had been previously agreed that there would be switching information includes in the slide pack. It was decided that next month MOSL would include some key figures on switching to fulfil the action **A37_02** taken from the last meeting.
- 5.44. The Chair returned to a previous comment made by a member around the MPC stepping back. A member stated that they felt there was good discussion occurring but that the MPC did not have much

in their arsenal to deal with COVID-19 related underperformance. The Chair mentioned that it was previously stated that there could be potential for monitoring around COVID-19 related APIs or other interventions but that the MPC had not fully explored this option yet. Another member agreed but stated they didn't feel it necessary for MOSL to undertake huge amounts of work for a temporary circumstance, and that the MPC should focus on outliers, engagement and reporting. The Chair stated that this discussion should be picked up further in the MPOP section.

- 5.45. MB stated that he would not be returning after lunch and, as this was his final meeting before stepping back as a member of the MPC, wished everybody well. The Chair thanked him for his consistent, meaningful contributions and stated that he will be missed. It was noted by MOSL and the MPC members that he had been part of the committee since the beginning of the market and that his contributions had been invaluable.

6. PRP Review (Closed Session)

Purpose: For Discussion

7. MPOP Update

Purpose: For Information and Decision

- 7.1. MOSL stated that the drafting for MPOP 20/21 was completed on 29 April and that consultation had gone out to industry on 19 May, with a scheduled close date of 03 June. They stated that only one complete response had been received at this point and it was largely positive. It was expected that the upcoming User Forum would lead to more consultation responses.
- 7.2. MOSL proposed to extend the publication date of the MPOP to the 30 June from 16 June. This was to give enough time to incorporate feedback from the consultation and MPC. The later publication was welcomed by the Chair as a positive step to allow enough time for MPC contributions.
- 7.3. MOSL asked MPC members to approve MOSL's proposed timeline of steps for publishing MPOP, and to approve the use of Sharepoint to share the MPOP document prior to publication. MPC members unanimously agreed with the proposal and the use of Sharepoint.

ACTION: MOSL to work with the MPC subgroup to update MPOP post-consultation and share this with MPC to get feedback prior to publication.

A38_05

- 7.4. A member raised an issue around the focus currently being around checking if retailers had been incorrectly labelling premises as vacant, but that it also needed to look at whether customers had been incorrectly not labelled as vacant. Another member elaborated that there are significant outliers on both ends of the spectrum. They continued that it was important to look for confidence that normal can be achieved and that the process is being followed at a reasonable, strategic level. It was clarified that



this needed to be done using trends and differentials, it would be impossible to check for all SPIDs but that systematic behaviours needed to be identified and the MPC needed assurance of such.

- 7.5. A member stated that the previous two points raised by members had been helpful in helping gain clarity in the steps that needed to be taken by the MPC to make informed decisions going forward. They stated it would be helpful if, going forward, MOSL could present information on outliers along with possible next steps to which MOSL agreed.

8. Quarterly Market Improvements Item

Purpose: For Information and Decision

- 8.1. MOSL stated that they had been asked to review the coverage of the MPF Roadmap by MPOP 2020/21 at the April 2020 MPC meeting. MOSL said it had produced a ‘gap analysis’ of MPOP to assess the overall coverage and that this analysis and had been discussed with the MPC Roadmap subgroup on 20 May 2020.
- 8.2. MOSL highlighted that MPOP 2020/21 provides only partial coverage of the MPF Roadmap’s year 1 deliverables. MOSL said that the ownership and planning of the MPF Roadmap would need to be reviewed to address this issue.
- 8.3. MOSL therefore recommended the following steps to be undertaken in collaboration with the MPC subgroup:
 - 1) Assess the options for the ownership model for the MPF roadmap; and
 - 2) Define process for reviewing the MPF roadmap timelines and year 1 deliverables.

The MPC agreed unanimously to MOSL’s recommendation.

ACTION: MOSL to meet with the MPC subgroup to assess options for the ownership model of the MPF Roadmap and agree a process for reviewing Roadmap timelines, deliverables and planning.

A38_06

- 8.4. The MPC agreed unanimously to MOSL’s recommendation.
- 8.5. MOSL also stated that they would share the subgroup meeting notes.

ACTION: MOSL to share MPC subgroup meeting notes.

A38_07

9. MPC Workplanning Session

Purpose: For Discussion

- 9.1. MOSL began by going through the requirements of the 5 MPC subgroups; IPRP review, Metering, MPF, MPOP and COVID. Members requested that both scope and objectives of the subgroups were outlined and included as well as highlighting key decisions taken by the subgroup and any decisions that were needed from the MPC.

Action: MOSL to update format and content of subgroup update and incorporate the workplan into the monthly update.

A38_08

- 9.2. A member raised that it would be helpful to have a way of keeping track of the continued progress against goals and timelines. The Chair raised that there was a workplan document, but that it would be good for MOSL to keep all of this in a centralised document, to which MOSL agreed.
- 9.3. MOSL raised some points around the upcoming strategic metering review which had been raised at the Panel workshop. It was stated that the initial aim was to scope out high level objectives, which the MPC subgroup would then be used as a touch point for, tying into the point in the previous section around sponsorship. It was stated that MOSL were ultimately looking to take ownership of driving forward the review with Trading parties as it was a major piece in MOSL's business plan.

10. Any Other Business

Purpose: For Discussion

- 10.1. JW raised a point that ideas about transitioning to BAU activity post COVID-19 should be brought by MOSL to MPC next month. The incoming Chair asked for clarification on the exact purpose of the material in order for MOSL to respond efficiently. It was responded that should just be the start of a discussion around necessary questions and triggers, and that it may just be a series of questions MOSL felt it necessary for the MPC to discuss.
- 10.2. DH returned to the previous point around potential escalation of non-compliance with CPW091, and how MOSL would share intelligence with potential outliers that may need referral to Ofwat. He asked whether the MPC would find it helpful to Ofwat to outline something in writing, to which it was responded yes.
- 10.3. AB reiterated that ongoing work from CC Water complaint data could be integrated into the proposed Market Hub, and it would be beneficial to get further guidance on what charges customers may face during periods of vacancy.
- 10.4. SA raised that it was Elsa Wye's final session as Chair of the MPC and thanked her for chairmanship and challenge. It was noted that she helped keep the MPC on track during a difficult period of transition, and that her contributions were invaluable. The MPC and MOSL's Performance department echoed SA's sentiments and thanked her for stewardship.



- 10.5. LA reminded the MPC that MPOP 20/21 consultation ended on 3 June, and that User Forum would be held on 28 May.
- 10.6. Elsa Wye gave a statement as the outgoing chair, thanking the MPC and MOSL for their kind words and contributions, participations and engagement. She wished everyone the best going forward, and welcomed the incoming interim Chair, John Gilbert.
- 10.7. John Gilbert, MOSL's Head of Planning, introduced himself as the incoming interim Chair. He thanked Elsa for her stewardship and felt that the comments made by members and MOSL spoke volumes of her contributions to the committee. He said that he hoped to continue in that vein and continue to steer the MPC accordingly. He went on to ask if he would be able to seek views, guidance and thoughts from the members over the coming months to gather how they wanted to move forward and what goals they hoped to achieve.
- 10.8. There was no further business, and the Chair closed the meeting.

11. New Actions

A38_01: MOSL to reach out to Water2Business to flag that their activity regarding use of the vacancy flag had caused concerns with several governance groups, and that it should be mentioned that the impact on customers due to their non-proactive response may be unsatisfactory.

A38_02: MOSL to clarify details around how vacancy figures are reported, and the potential impact on premises with split service providers.

A38_03: MOSL to feedback the next iteration of assurance that can be given to the committee at the next MPC meeting, regarding retailer compliance with CPW091.

A38_04: MPC Chair to write to Water Plus, regarding concerns around the performance against their PRP and seeking assurance that they will be on track in June.

A38_05: MOSL to meet with the MPC subgroup to assess options for the ownership model of the MPF Roadmap and agree a process for reviewing Roadmap timelines, deliverables and planning.

A38_06: MOSL to meet with the MPC subgroup to assess options for the ownership model of the MPF Roadmap and agree a process for reviewing Roadmap timelines, deliverables and planning.

A38_07: MOSL to share MPC subgroup meeting notes.

A38_08: MOSL to update format and content of subgroup update and incorporate the workplan into the monthly update.



The next MPC meeting is scheduled for **1 July 2020**

Location: **To be held via Teleconference (Microsoft Teams)**

DRAFT