

Minutes of Panel Meeting 47

29 September 2020 | 10:30 – 17:00

Videoconference

Status of the Minutes: **Final**

MEMBERS PRESENT

Trisha McAuley OBE	TM	Chair	Michael Rathbone	MR	Panel Member (Wholesaler)
Michelle Burns	MB	Panel Member (Associated Retailer)	Helyn Mensah	HM	Panel Member (Independent)
Richard Barton	RB	Panel Member (Associated Retailer)	Elsa Wye	EW	Panel Member (Independent)
Trevor Nelson	TN	Panel Member (Unassociated Retailer)	Pamela Taylor	PT	Panel Member (Independent)
Nicola Smith	NS	Panel Member (Unassociated Retailer)	Christina Blackwell	CB	Panel Member – Alternate (Customer Representative)
Claire Yeates	CY	Panel Member (Unassociated Retailer)	Dan Mason	DM	Affiliated Panel Member (Ofwat)
Mark Holloway	MH	Panel Member (Wholesaler)	Adam Richardson	AR	Panel Secretary
Martin Mavin	MM	Panel Member (Wholesaler)			

OTHER ATTENDEES

John Vinson	JV	Observer	Ian Bannon	EB	Ofwat Observer
Carol Sgambaro	CS	MOSL Secretariat	Hayley Robinson	HR	Ofwat Observer
Steve Arthur	SA	MOSL Presenter items 4 & 5	Ethan Fleming	EF	MOSL Secretariat
Stuart Boyle	SB	MOSL Presenter items 8, 13 & 20.1	Christopher Wright	CW	Castle Water Observer
Abu Rashid	ARa	MOSL Presenter item 10	Antoine Schmidt	AS	Thames Water Observer
Florentina Monea	FM	MOSL Presenter item 12	Neil Pendle	NP	Waterscan Observer
Matthew Glover	MG	Presenter item 12	John Davies	JD	MOSL Presenter – item 16

APOLOGIES

Mike Keil	MK	Panel Member (Customer Representative)	Sarah McMath	SM	Affiliated Panel Member (MOSL)
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1. Welcome and Introductions

- 1.1 The Chair welcomed Panel Members and all other attendees to Panel Meeting 47. This was TM's first meeting as Panel Chair.
- 1.2 It was noted that MK and SM had sent their apologies for the meeting. CB was attending the meeting as the alternate for MK.
- 1.3 It was further noted that notice of the meeting had been given, that the meeting had been properly convened and that a quorum was present. The Chair declared the meeting open.

2. Minutes and Outstanding Actions

- 2.1 After due consideration, the Panel Members approved the minutes for the Panel meeting 46 (25 August 2020).
- 2.2 The Panel agreed that the following actions could be closed as they had been completed:
 - 2.2.1 A29_06; A36_04; A43_01; A44_04; A44a_02; A45_05; A45_06; A45b_01; A46_01.
- 2.3 The Panel further agreed that the following actions would remain open:
 - 2.3.1 A26b_04; A33_08; A39_05; A45_10.

3. Ofwat Update including Ofwat Strategy overview

- 3.1 DM provided an update on the code changes being considered by Ofwat. He indicated that decisions on the following changes were expected to be published in the coming week: CPM019 (GDPR Data Securities Standards), CPM089 (Adding Billing Address Fields), CPM022 (Reducing Panel Quorum).
- 3.2 DM confirmed that Ofwat would be bringing an amended timetable for CPW070 (Bilaterals Interface Solution) to the October Panel meeting. The original timetable for the solution needs revisiting given the change of direction of the Bilaterals programme and the progress that it has made.
- 3.3 DM noted that Ofwat would be looking to re-start a project looking at the extent to which customers' credit balances are, or could be, protected, including in the event of an interim supply. The Panel noted that some engagement had taken place with the sector on this matter last Autumn.
- 3.4 DM provided the Panel with an update on Ofwat's strategy for 2020. Under the theme of "Time to act together", the strategy outlined the role that Ofwat sees the business retail market playing.
- 3.5 One of Ofwat's ambitions as part of its strategy and business plan is to drive innovation to help address environmental (e.g. water efficiency) issues and both Wholesalers and Retailers have a role to play in helping to address these challenges. DM highlighted the ways in which Retailers and Wholesalers could contribute, for example via:
 - 3.5.1 continuing to enable the development of new and existing markets where this was the most appropriate route to delivering improved outcomes for customers;

- 3.5.2 encouraging Trading Parties to be innovative. There was recognition that more needed to be done to stimulate innovation, in particular the competitive markets to celebrate opportunities to innovate and collaborate to create the conditions for suppliers to provide differentiated services;
 - 3.5.3 exploring an open data approach;
 - 3.5.4 driving improvements in the sector's relationship with customers, especially the most vulnerable; and
 - 3.5.5 making better use of information, taking a targeted approach to holding individual trading parties to account.
- 3.6 DM emphasised that collaboration was key and Ofwat would work with the government and the sector to create more focus on how collaboration could help to deliver strategic goals.
- 3.7 DM further noted that Ofwat was fully committed to supporting the development of the market. However, DM noted that Ofwat did not see itself 'fixing problems' as this was a role for the sector itself.
- 3.8 Ofwat believes that good governance can help trading parties to deliver on public value. Ofwat fully supports the Market Governance Review work which is being undertaken by MOSL in collaboration with the Panel. In this context, Ofwat encouraged consideration on how the focus on customers in decision making could be strengthened.
- 3.9 One Panel Member queried the approach to operational resilience and whether it related to infrastructural resilience and/or resilience to market shocks. DM explained that it related to financial and operational resilience and how responsive the sector is to potential shocks, such as Covid.
- 3.10 The same Member also observed that it would be important for the Panel to review any lessons learned post Covid, so that it could be better prepared for any future shocks.

4. MOSL Business Update

- 4.1 It was noted that the MOSL Update had been split into two parts, namely the MOSL Business Update and a Market Update. The Panel Secretary asked for informal feedback from Panel Members on their thoughts on this new approach.
- 4.2 One Panel member stated the content of the MOSL Business update was very useful. The same Member queried what the latest update was regarding the level of uptake on the Bilaterals Programme, given the Trading Parties' costs to integrate with the bilateral solution (for those that wish to do so) were estimated to be in the region of £4m.
- 4.3 SA confirmed that the feedback so far was there was a strong uptake and a high level of engagement.
- 4.4 SA provided a brief overview of the Strategic User Forum confirming that it would look at some of the strategic issues and risks which were seen across the market and it was meant as an engagement group to deliver some of the strategic improvements to the market in a collaborative way.

- 4.5 SA stated that some of the Panel activity would feed into the Strategic User Forum and that it would be important for the Panel and the User Forum to co-ordinate and communicate so as not to duplicate effort. Therefore, it would be important for the Panel and User Forum to have an appropriate level of engagement in order for there be visibility of activities “both ways”.
- 4.6 SA confirmed the first Strategic User Forum would take place on 15 October. SA noted that as the Strategic User Forum started to “bed in”, a further discussion on the role of that Forum could be provided to the Panel.
- 4.7 The Customer Representative Panel member enquired about the Dormant Trading Parties Review and if this would be looked at in the context of interim supply and the impact on the protection of customers.
- 4.8 SA confirmed that MOSL had been working closely with Ofwat and the market on the interim supply arrangements to make improvements to systems’ capability and process, and that a high amount of work was being undertaken to assess how possible interim supply retail failures could be dealt with and managed successfully.
- 4.9 MOSL was also mindful of the customer protection element in relation to dormant Trade Parties who may have let their capabilities, training and understanding of the market lapse due to being inactive in the market for several years.

5. MOSL Market Update

- 5.1 In relation to Market Improvement, SA confirmed that a high amount of feedback was received as MOSL was undertaking work on vacancy and metering. MOSL had now reinstated the Pairing Improvement Plans and would be working with Trading Parties to reduce vacancy levels.
- 5.2 In terms of the Market Performance Framework (“MPF”), SA explained that there was a strong focus from the MPC and the MPC sub-group on the data cleanse to provide a good bedrock for a framework to inform the Market Performance Operating Plan for this year.
- 5.3 SA highlighted the need for more qualitative measures to be in place in the MPF arena. He noted that R-MEX, which was a project undertaken collaboratively by RWG, had been put on hold since March 2020 due to Covid-19 and it was due to launch next month, with the first survey being issued on week commencing 5 October. The result of this survey would allow for the first qualitative measure to be put in place as part of the MPF.
- 5.4 SA confirmed that a high volume of activities was being undertaken in relation to the Covid Monitoring & Assurance Framework. The Covid Transition Review Group meetings, which were taking place on a weekly/fortnightly basis, had proven to be very helpful to increase engagement with Trading Parties. This Transition Group consisted of Ofwat, MOSL and CCW.
- 5.5 One Panel Member commented that there may be situations where a customer switched retailers, having been flagged as COVID-19 vacant with the previous retailer and that this could cause challenges in assessing, and recording in CMOS, the accurate status of these premises
- 5.6 SA confirmed that the aim of the Covid Assurance reporting was to pick up those premises which had been flagged as ‘Covid-19 vacant’ in the March-July 2020 period and track the status of these premises going forwards. In addition, there had been an element of retrospective changes, for example where some properties were not correctly flagged as ‘Covid-19 vacant’

due to a lack of information at the time. SA confirmed that more premises were being changed to an occupied status as the weeks progressed and some of the original challenges (e.g. around lack of evidence) continued to be overcome.

- 5.7 SA noted that there may be a small number of Retailers which were unable to change their occupancy status (e.g. as they may have de-registered) and MOSL were in discussions with Ofwat to ensure that this did not hinder the position of Trading Parties.
- 5.8 One Panel Member queried when the Panel would see the output from the Transition Group meeting which Castle Water had been asked to attend. SA confirmed that the outputs from that session would be shared with the Panel ahead of the October Panel meeting.

ACTION: A47_01

6. CCW Update

- 6.1 The Customer Representative Member provided a CCW update including an update on the Annual non-household complaint report, which had been published in July 2020.
- 6.2 The Customer Representative Member highlighted some of the main points from the report:
 - 6.2.1 The number of written complaints in 2019-20 to both retailers (-19.8%) and CCW (-13.6%) had fallen for the first time since market opening in 2017. However, it was noted that CCW was still handling four times more complaints than pre-market opening levels (around 317% increase since 2016/17).
 - 6.2.2 Billing and charges were the biggest areas for complaints, which accounted for around 75% of the complaints received.
 - 6.2.3 Regarding investigations, there had been a significant increase in 2019/20 compared to previous years. It was noted that 2018/2019 had seen 57 investigations and in 2019/20 there had been 105. The Customer Representative Member noted that Water Plus had received the highest number of investigations in 2019/20, followed by Wave and Castle Water.
 - 6.2.4 Water Plus, Clear Business Water, Castle Water & SES Business Water were named poorest performers in 2019; whereas Water2Business, Business Stream and Pennon Water Services were among the best performers in 2019.
- 6.3 One Panel Member asked whether CCW had any insight as to whether the increase in complaints compared to previous years could have been due to the fact that customers were potentially feeling more empowered to make complaints about the service provided to them.
- 6.4 The Customer Representative Member noted that, looking at the categories of complaints, the majority were relating to billing and charging, and another big issue was concerning the accuracy of bills due to meter reads.
- 6.5 One Panel Member requested an update from CCW regarding granularity in the billing and charges category. The Customer Representative confirmed that CCW annually review their reporting structure and from April 2019 a breakdown of the top three sub-categories of complaints that fell under the billing and charges categories has been published in the quarterly infographic. CCW intend to continue with the granularity in reporting in the future.

- 6.6 The Chair stated that it would be beneficial for the Panel to have a greater understanding of the reasons behind the complaints figures, including information on how the areas of billing and consumption were broken down.

ACTION: A47_02

- 6.7 The Customer Representative noted that CCW had undergone a re-structure, confirming that the Business Retail Markets team had moved out of the Regulation Team. This team, which would be led by CB, would be working very closely on the issues which mattered most to business customers.

7 Committee Reports

Trading Disputes Committee (TDC)

- 7.1 The TDC Chair confirmed that the TDC meeting, which was due to take place on 23 September, did not go ahead as there was no substantial business to be discussed.
- 7.2 The TDC Chair noted that two Wholesaler nominations had been received on the TDC. However, there had been no Retailer nominations. The TDC Chair reiterated the request for TDC Retailer nominations and encouraged the Panel Members to invite their colleagues to put their names forward.

General Data Protection Regulation (GDPR) Issues Committee

- 7.3 It was noted there was no update as the GDPR Issues Committee had not met since the last Panel meeting.

Credit Committee (CC)

- 7.4 It was noted there was no update as the CC had not met since the last Panel meeting.

Market Performance Committee (MPC)

- 7.5 The Panel noted the MPC update within the Committee Reports which had been provided by John Gilbert, the MPC Interim Chair in advance of today's meeting.
- 7.6 One Panel Member asked if there were any updates regarding the substantive MPC Chair appointment. The Panel Chair confirmed that she was aware that this needed addressing, noting that she had a meeting booked with John Gilbert next week as an initial step to this. The Panel Chair would provide an update to Panel on this in due course.
- 7.7 The Panel had no questions or comments in relation to the MPC update report.

8 Change Report

- 8.1 SB presented the change report confirming that there were four new changes for this Panel meeting, including:
- 8.1.1 [CPM033: Improved process for managing Data Subject Rights Request](#). This change was raised by the GDPR Issues Committee. The consultation had finished 24 September and

the GDPR Issues Committee was due to review the responses at its October meeting with the aim to bring this change proposal to the Panel in November.

- 8.1.2 [CPM034: Retailer Panel Member Changes](#). This change proposal, which was raised by Business Stream, would allow a vacant Retailer seat to be filled by either an Associated Retailer or an Unassociated retailer.
- 8.1.3 [CPM035: Panel Election Streamlining](#). This was a MOSL led change proposal to improve the election process.
- 8.1.4 [CPM036: Provision to vary term of Panel Members](#). This was a MOSL led change proposal. SB explained that elections for Trading Party representation on the Panel were due to be held February-March 2021 for the new term of office commencing 1 April 2021. The Panel was currently undertaking a Market Governance Review and recommendations from the review may include amending the composition of the newly elected Panel. This change proposal would allow Ofwat, at the request of the Panel, to grant amendments to the term of currently elected Panel Members.
- 8.2 SB explained that the plan was to bring CPW035 back to the October Panel meeting for recommendation. The Panel noted that the changes being proposed under CPM035 were not seen as contentious as they were similar to the MOSL Board election changes agreed at the MOSL AGM. Therefore, they did not require consultation and were ‘no regrets’ changes unlikely to be affected by the Market Governance Review.
- 8.3 Conversely, MOSL was recommending that CPM034 and CPM036 would require consultation and would be brought back in November.
- 8.4 The Panel sought clarification where CPM034 ‘sat’ in the context of the Market Governance Review. SB clarified that CPM034 was intended to get the remaining Associated Retailer seat filled. There was a risk of a Panel meeting having to be cancelled, due to being inquorate, if one of the two Associated Retailer Members were unable to attend and were unable to appoint alternates. In addition, CPM034 aimed to increase Retailer expertise “at the table” to input into the Governance Review.
- 8.5 One Panel Member stated that it would be important to look to expedite the recommendation date for CPM034.
- 8.6 Another Panel Member stated that consultation should be undertaken for CPM034, as this change proposal presented one of many possible solutions to the potential issue of an inquorate Panel. In addition, this change proposal raised the question of whether there should continue to be a distinction between Associated Retailer and Unassociated Retailers representation on the Panel. A further Panel Member confirmed that the Terms of Reference for MPC and TDC did not distinguish between Associated Retailer and Unassociated Retailer representation on these Committees, and in the Panel Member’s opinion, there did not seem to be any issues with an imbalance of representation on those Committees.
- 8.7 The proposer of CPM034 stated that the aim of the change proposal was to fill the last Retailer seat. It would not address the question of whether there should a distinction on the Panel between Associated Retailer and Unassociated Retailers, which was a question that should be addressed by the Market Governance Review. SB added that CPM034 was intended to be an

interim change, recognising that the Market Governance Review was the appropriate forum to discuss this matter

- 8.8 The Panel Secretary asked DM whether, in his view, Ofwat would have any concerns that the wider community did not have the opportunity to consult on CPM034. DM confirmed that if this was considered an interim solution, in his view, Ofwat could be comfortable with there being no consultation. On the other hand, if this was to be an enduring solution, given that it would affect the composition of the Panel, consultation should take place.
- 8.9 A Panel Member asked, if the Market Governance Review committed to reviewing this issue specifically as part of its work and endorsed this change proposal, whether this would allay any concerns that Ofwat may potentially have around not consulting. DM confirmed that this solution seemed sensible to him.
- 8.10 The Panel proceeded to a vote to determine whether a consultation on CPM034 was required. The Panel voted¹ not to consult (10 in favour, 2 against).
- 8.11 It was noted that consultation would still go ahead in relation to CPM036.
- 8.12 SB confirmed that CPM034 and CPM035 would be brought back to Panel at the October meeting, noting that the recommendation report would explain the reason for not there being consultation in relation CPM034 (i.e. that it was predicated on the Market Governance Review reviewing and addressing the issues raised by the Panel).
- 8.13 In relation to [CPW070: Bilaterals Governance](#), SB stated that Code drafting was unlikely to be presented by November and Ofwat were intending to issue a revised timetable for this. Panel Members noted that the timetable for this change would therefore be updated in light of the revisions noted by DM.

9 Draft Recommendation Report: CPW059 – Changes to Review Obligations

- 9.1 The Panel considered Change Proposal '[CPW059: Changes to Review Obligations](#)'. This change sought to change the timescales of technical reviews for four Central Systems (CMOS) parameters, to better enable efficiency in timing reviews appropriately.
- 9.2 It was noted that this change proposal had been presented to the Panel at its July 2019 meeting, where the Panel voted unanimously to recommend the proposed change to Ofwat for approval. However, Ofwat determined that it could not properly form an opinion on its approval due largely to inconsistency in legal drafting and the lack of rationale.
- 9.3 ARa explained that the first issue raised by Ofwat was concerning the technical reviews. This related to the decision of when the relevant review cycles would be undertaken which appeared in the legal drafting to sit with MOSL and not the Panel and did not align with the Final Report. The second issue related to the lack of rationale regarding the entire removal of the 'Provisions of Information' section in the Market Terms.

¹ While the Panel Chair has a vote, the new Panel Chair has indicated that, for the time being, they would abstain during voting. Given this approach, the Chair's abstention has not been recorded 'for' or 'against' each decision in these minutes.

- 9.4 ARa confirmed that MOSL's General Counsel had reviewed the solution and drafting, confirming there were no inconsistencies between them. ARa further explained that the revised solution aimed to address only the technical reviews issue and MOSL would raise a separate change proposal to assess the Provisions of Information obligation. It was felt that it was appropriate to present each issue separately to Ofwat.
- 9.5 It was noted that the proposed change to review timescales was to amend the yearly cycles to three-year and five-year cycles. In addition, MOSL would establish and maintain a risk assessment document which would assess those parameters and would be reviewed annually. The Risk Assessment document was an internal document which was being shared with the Panel in attachment 4 to the change documentation.
- 9.6 ARa highlighted some of the benefits of the proposed solution, such as it would free up MOSL resource, provide assurance to Trading Parties that MOSL will undertake reviews of the parameters and to deliver further confidence in the technical reviews process by establishing a risk register.
- 9.7 One Panel Member stated that there was lack of detail in the report on the risk assessment process; specifically, how and when the assessments would occur and the material that would then be shared with the Panel.
- 9.8 Another Member highlighted that it would be beneficial for the Legal drafting to have a 'firmer' method of risk assessment in section 2.5.6 and to firm up the rate in which the review would take place annually. A further Panel Member agreed that it would be beneficial to have a further commitment from MOSL on the review cycle to flag, for example, that a review was not needed.
- 9.9 The same Panel Member queried, in the event a review or an initial analysis was triggered, whether the resourcing saving argument would stand. In addition, the Member observed that a 3-5-year review cycle in a relatively new market seemed like a long way ahead.
- 9.10 The Customer Representative Panel Member queried whether it would be beneficial to consider having a working group to assist if a review was required to provide further assurance to Panel.
- 9.11 The Panel Secretary noted that the Panel had established a working group in the past where a parameter review (concerning Industry Level Estimates) had indicated that further work should be undertaken to consider a potential change.
- 9.12 In addition, the Panel Secretary suggested that rather than amending the legal text, there could be a clarification to the current working practice with confirmation from MOSL regarding the review of the risks being completed on a specific time each year.
- 9.13 The Panel felt reassured by the approach suggested and agreed that MOSL would establish a working practices' document that would outline the annual assessment process and subsequent Panel involvement. MOSL agreed to produce this document, with input from the Panel, upon CPW059's implementation, if Ofwat approves its implementation.

ACTION: A47_03

- 9.14 The Panel:
- **AGREED** (unanimous) to recommend the implementation of CPW059 to Ofwat for approval (12 in favour);

- **AGREED** to recommend an implementation date of;
 - 15 February 2021, if Ofwat approval is received by 22 January 2021; or
 - 14 May 2021, if Ofwat approval is received by 23 April 2021.

10 Draft Recommendation Report: CPW099 – Clarify Responsibilities of Trading Parties During a Planned Event

- 10.1 The Panel considered Change Proposal '[CPW099: Clarify Responsibilities of Trading Parties During a Planned Event](#)'. This Change Proposal sought to enhance the clarity of the wording in the Operational Terms Part D (Planned activities and affected services) and to improve the understanding of arrangements between Wholesalers and Retailers in line with the Retail Wholesale Group (RWG) Good Practice Guide.
- 10.2 FM stated that this change proposal was a result of a high volume of work from RWG, noting that the decision not to formally consult on this change proposal was because it had been considered within the wider RWG.
- 10.3 The proposer confirmed that the Good Practice Guide on Planned Events had been developed by RWG and it was made available on the MOSL website in June 2020.
- 10.4 The proposer further confirmed that there were 6 Wholesalers on the RWG subgroup, who had been very closely involved in construction the solution. He added that the wording of the proposed code drafting had changed significantly from its initial form, but the principle and the intent had not changed. Therefore, it was believed that further consultation was not required on this change proposal.
- 10.5 The proposer ran through the main changes to the wording of the Code and the rationale for those changes. These were outlined in section 3.1 of the Draft Recommendation Report.
- 10.6 One Panel Member queried whether the relevant guidance which had been published would be amended to reflect the change to wording in the Code. The proposer confirmed that the Code changes reflected the Good Practice Guidance; therefore, these would be in line with the Good Practice Guidance. However, some minor changes would be carried out to the Good Practice Guidance, which was always expected in a 'live' document.
- 10.7 Another Panel Member asked whether RWG monitored the level of compliance with the Good Practice Guide. The proposer confirmed that it was beneficial for a standard Good Practice Guide to exist. However, by introducing a standard format, there was an acceptance that it would not necessarily fit the current systems that Wholesalers had in place. Therefore, compliance with all aspects of the Guide would not always be possible.
- 10.8 Some Panel Members expressed concerns that this change had not been formally consulted upon on behalf of the Panel. Although the RWG had consulted prior to it being formally raised, the legal text had significantly changed since the consultation. A Panel member brought the Panel's attention to the fact that there was a significant difference between a good practices guide and a statutory market code. This change proposal may duplicate or cause conflict between two statutory obligations and may cause some operational challenges to Wholesalers.

Finally, considering that this change had not been thoroughly looked through legal compliance, it needed to be sent for consultation.

- 10.9 In response to a question asked by one Panel Member, MOSL provided comfort to the Panel that MOSL's Legal Team had considered any potential conflicts between the WI Act and the proposed change and the conclusion was that there was no conflict.
- 10.10 Another Panel Member asked whether this change proposal was time critical and, if not, would it still be possible to consult at this stage. The proposer confirmed that it was not time critical.
- 10.11 The Customer Representative Panel Member stated that CCW was supportive of the increased communication with customers on a number of activities that fall under the planned event and highlighted that it was important to ensure that Wholesalers had access to relevant information in terms of contact details to be able to fulfil this role.
- 10.12 The proposer acknowledged that maintaining fully up-to-date operational contact details was a challenge. However, with planned events, there was arguably the ability to communicate in more traditional methods (e.g. letters through the door), unlike unplanned events, where there was a requirement to act more quickly.
- 10.13 A further Panel Member felt that this change proposal had the potential to bring consistency and clarity in the process between Wholesaler and Retailer which could ultimately benefit the customer.
- 10.14 The Panel then proceeded to a vote regarding whether consultation should take place. The Panel voted not to consult (11 in favour, 1 against).
- 10.15 The Panel agreed that the proposed solution served greater benefits for Non-Household Customers by providing a more structured timeframe for communications. Moreover, the Panel believed that the change codified RWG Best Practice Guidance which was in line with recommendations in Ofwat's Review of incumbent company support for effective markets (known as Project RISE).
- 10.16 The Panel:
- **AGREED** (unanimous) to recommend the implementation of CPW099 to Ofwat for approval (12 in favour).
 - **AGREED** to recommend an implementation date of;
 - 15 February 2021, if Ofwat approval is received by 18 January 2021; or
 - 14 May 2021, if Ofwat approval received by 16 April 2021.

11 Panel Paper Day

- 11.1 Following a trial period of six months, the Panel considered whether it was appropriate to continue to receive papers five (5) full business days before the Panel meeting rather than ten (10) business days.
- 11.2 The Panel asked Secretariat, in the event of any of the papers becoming available ahead of 'paper day', to place those papers in the Panel SharePoint Site. However, papers would not be emailed to Members until 'paper day'.

11.3 It was reiterated that ‘paper day’ deadline was by 9am on the Tuesday 5 working days before the Panel Meeting date.

11.4 The Panel Secretary highlighted that one of the areas to be reviewed as part of the working practices review (to be undertaken as part of the Market Governance Review) would be the number of ways in which papers were made available to Panel Members and the different types of format (including PDF and word versions).

11.5 The Panel:

- **AGREED** that it was appropriate to continue to receive papers five (5) full business days before the Panel meeting (11 in favour; 1 against).

11.6 The Panel member against the change stated that reducing the days when papers are e-mailed to members does not recognise the additional demands on part-time workers, the need to scrutinise technical papers which may require liaison with colleagues, and the varying size in agenda items month-on-month.

12 Panel Terms of Reference

12.1 The Panel considered the proposed amendments to the Panel Terms of Reference (ToR) which aimed to align the ToR with the recent Code changes and working practice.

12.2 One Panel Member noted that, within the proposed amended wording in Section 5.4 of the ToR, the word “additionally” was not required. CS undertook to have this removed.

12.3 A Panel member recommended that a statement should be added to the Terms of References of all committees that any change proposal under discussion should be assessed against the benefits the change would deliver to the end customer.

12.4 The Panel:

- **AGREED** (unanimous) the updated Panel Terms of Reference (12 in favour).

13 Future Panel Meeting Arrangements

13.1 CS invited the Panel to discuss and agree the enduring approach to future Panel meeting arrangements, explaining that with the MOSL business planning process underway, now was the right time to discuss what the future Panel meeting arrangements should be.

13.2 It was noted that the approach to Panel meeting arrangements had been discussed with the Market Governance Steering Group on 9 September and their views had been obtained. In summary the Steering Group was supportive of the approach to continue to meet online as the standard approach complemented by a certain amount of face to face meetings, once government guidance allows and when it was reasonable to do so. Once meeting face-to-face, the ability to broadcast meetings should be maintained, for example, to continue to enable engagement with Trading Parties who wish to observe meetings virtually.

- 13.3 CS noted that there were substantial savings to be made if meetings were to be held face to face on a quarterly basis with the remaining meetings being held online, in addition to holding two Panel Strategy Workshops face-to-face.
- 13.4 Panel Members agreed that this approach was sensible. The Panel also confirmed that Panel Committees and Sub-Groups should adopt, so far as possible, a consistent approach to meeting arrangements to that adopted by the Panel, whilst taking into account the advice of their own chair around the precise details of those arrangements.
- 13.5 One Panel Member highlighted that it would be useful to look at ways in which to further improve the virtual meeting experience.
- 13.6 A further Panel Member stated that it may be beneficial to schedule short 'meetings' with Panel Members which were entirely dedicated to relationship building and not related to Panel Business. The Chair took an action to work with CS on developing this.

ACTION: A47_04

- 13.7 The Panel:
- **AGREED** (unanimous) that future Panel meetings would be held 'on-line' as the standard approach complemented by quarterly face-to-face meetings to be held in London once government guidance around Covid-19 allowed (12 in favour); and
 - **AGREED** (unanimous) that MOSL, in consultation with the Panel Chair, should determine, based on government restrictions, PHE (or equivalent advice) and availability of venues, when to hold face-to-face meetings (12 in favour).

14 Quarterly Panel Workstreams Update

- 14.1 The Panel noted the update reports on the five Panel Workstreams, including Code Review, Market Governance Review, Open Data and Innovation. In addition, the Panel noted the Metering presentation slides which had been circulated ahead of the meeting.
- 14.2 CS confirmed that this was the second of the Panel Workstreams update; the first one was provided at the June 2020 Panel meeting and the next update would be provided at the December Panel meeting.
- 14.3 CS explained that the Code Review was progressing well. MOSL were currently engaging with a number of code bodies to understand the structure of their market codes. A consultation has been issued to obtain feedback on pain-points and quantify the impacts of code complexity. The consultation was due to close on 5 October.
- 14.4 In relation to the Market Governance Review, CS confirmed that this workstream was on track to deliver its objectives. It was noted that Secretariat had identified five providers to undertake the Panel Effectiveness Review, shortlisting three and that it had selected a preferred provider. The contract between MOSL and the external provider were currently with MOSL's General Counsel for review. The Panel effectiveness review work was on track to start in October 2020.

- 14.5 In addition, CS noted that a stakeholder survey would be issued in the coming months with the aim to obtain an understanding on stakeholders' perceptions on the efficiency and effectiveness of market governance and the Panel.
- 14.6 CY and JD provided an update on the Metering Workstreams, confirming that the timeline had changed slightly since the update was provided to Panel at the June meeting, noting the challenges with the original timeline such as resourcing.
- 14.7 CY confirmed that the original timeline was for completion of Phase II (map Metering journey and recommend priority review areas) in August 2020 and Phase III (carry out strategic review of priority areas) in December with outputs presented in January 2021. The revised timetable was that Phase II would be finalised by September 2020 and Phase III by February 2021.
- 14.8 It was noted that Richard Barton had joined the Metering Sub-Group, replacing Barry Hayward who had left in August. It was further noted that the Metering and MPC sub-groups had been combined into one sub-group, to increase efficiencies and encouraged further debate.
- 14.9 JD then ran through the Metering's priority review areas (including the proposed timeline for delivery) confirming the proposed approach to deliver Phase III.
- 14.10 CY highlighted that this workstream would be utilising different bodies to look at the different priority review areas as well as external resourcing in order to gain an understanding of the metering model in other sectors, such as electricity.
- 14.11 One Panel Member queried whether the Metering workstreams had a detailed stakeholder engagement plan. JD confirmed that a stakeholder engagement plan would be put together in the near future.
- 14.12 The Panel:
- **AGREED** (unanimous) the priority review areas, the proposed timeline for delivery and the proposed approach to Phase III delivery for the Metering Workstream (12 in favour).

15 Autumn Workshop agenda

- 15.1 CS asked Panel Members to confirm whether there were additional agenda items for consideration at the Autumn Panel Workshop to be held on 23 November, confirming that the following items were being suggested:
- 15.1.1 CEO Forum feedback
- 15.1.2 Initial findings from Market Governance Review
- 15.1.3 Business Plan and Panel Plan
- 15.2 The Panel Secretary added that the November Workshop would be a good opportunity to consider the Panel's input in relation to the Business Plan process. In particular, the Panel Secretary was not anticipating any radical changes to the Panel Plan at this stage. Consistent with the update on the Panel Workstreams, 2020/21 would focus on a 'discovery and review', with the following years focusing on implementation.

- 15.3 In addition, the Panel requested that the following items be considered for addition to the Autumn Workshop agenda:
- 15.3.1 Covid lessons learned (what worked well, areas for improvement and resilience to shocks)
 - 15.3.2 Risk framework
 - 15.3.3 Other areas within RISE's recommendations (in addition to the areas which will be picked up as part of the Market Governance Review, such as collaborative work within the industry, Market Performance Framework and Bilaterals)
 - 15.3.4 The Code Review in the context of Project RISE, the Strategic User Forum and the relevance of the Code on customer outcomes.
 - 15.3.5 Meter Strategy and what the updates are regarding strategic versus tactical changes.
 - 15.3.6 Engagement with key stakeholders and the market's perception of the Panel.
 - 15.3.7 The interactions between the Panel and the new Strategic User Forum.
- 15.4 One Panel Member requested that the Panel Plan be considered as a separate item from the Business Plan. Another Panel Member stated that it would be useful to have more strategic discussions rather than just having updates on topics.
- 15.5 The Chair thanked Panel Members for their suggestion points. It was agreed that the Chair would work with Secretariat to firm up the Autumn Workshop agenda.

ACTION: A47_05

16 Any Other Business

- 16.1 DM confirmed that he would be going on an extended period of paternity leave from November and therefore would not be attending the November Panel meeting. He would be returning at the end of February 2021. Shaun Kent, Hayley Robinson and Ian Bannon from Ofwat would be acting as DM's alternates.
- 16.2 The Chair mentioned that they would be meeting a number of key stakeholders internally and would be arranging one to one meetings as an opportunity to get to know each individual Panel Member.
- 16.3 There being no further business, the Chair closed the meeting.

Closed Session

17 Trading Disputes Committee (TDC) Nominations

- 17.1 An update was provided on the TDC Nominations process.

17.2 It was noted that there were currently two vacancies available on the TDC, one Wholesaler and one Retailer. Two nominations were received for the Wholesaler vacancy. However, no nominations were received for the Retailer position.

17.3 The Panel:

- **APPOINTED** Matthew Rix to the vacant Wholesaler position on the TDC (11 in favour; 1 abstained).

18 Lessons Learnt

18.1 The Panel discussed the Panel discussed the “lessons learnt” from the Panel meetings 45a and 45b held on 28 and 30 July, respectively.

18.2 The Panel:

- **ENDORSED** the creation of an initial Code of Conduct, which outlined a clearer voting approach process; and
- **ENDORSED** the creation of a Change Assessment Approach document to clarify the Panel’s approach to dealing with alternative solutions to changes and competing changes.

19 Actions

Action Number	Action
A47_01	One Panel Member queried when the Panel would see the output from the Transition Group meeting which Castle Water had been asked to attend. SA confirmed that the outputs from that session would be shared with the Panel ahead of the October Panel meeting.
A47_02	The Chair stated that it would be beneficial for the Panel to have a greater understanding of the reasons behind the complaints figures, including information on how the areas of billing and consumption were broken down.
A47_03	MOSL agreed to produce the working practices’ document, with input from the Panel, upon CPW059’s implementation, if Ofwat approves its implementation.
A47_04	A further Panel Member stated that it may be beneficial to schedule short ‘meetings’ with Panel Members which were entirely dedicated to relationship building and not related to Panel Business. The Chair took an action to work with CS on developing this.



A47_05	The Chair would work with Secretariat to firm up the Autumn Workshop agenda.
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