

MPF Steering Group (10)

Location: MS Teams

Date and time: 26 February 2024, 1000 - 1200

Status of Key Points: FINAL

Key Points & Actions

Members

Name	(Initial)	Role/Organisation
Sarah McMath	SM	Chair
Christina Blackwell	CB	CCW representative (joined 1 st half)
Shaun Kent	SK	Ofwat representative
Neil Pendle	NP	Retailer representative
Mike Rathbone	MR	Wholesaler representative
Paul Smith	PS	MOSL Strategic Panel representative

MOSL

Name	(Initial)	Role/Organisation
Steve Formoy	SF	Finance Director
Evan Joanette	EJ	Programme Lead
Adam Richardson	AR	Market Design Director
Miles Robinson	MRO	Implementation Manager
Adrian Smith	AS	Comms lead
Lisa-Ann Lott	LAL	Notes

Apologies

Name	(Initial)	Role/Organisation
Chris Dawson	CD	PAG Chair
John Gilbert	JG	Programme Director

Actions from previous meeting & headlines

EJ confirmed the asks of the Steering Group: -

1. Steering group to confirm the use of a 'MoSCoW' approach
2. Approach to Ofwat's statutory consultation approach

EJ highlighted the Ofwat requirement to complete a statutory consultation on each change however considered to have minimal impact on ways of working.

EJ confirmed workshopping of candidate metrics for BR-MeX with Ofwat progressing and wholesalers agree with the proposals.

Overview of MPF model

EJ provided an overview of the proposed framework confirming 9 Activities, 21 KPI metrics, 8 tools, 5 standard and 3 discretionary and 4 levels of governance.

Risks and Issues

The Steering Group noted the current risks.

EJ noted Ofwat's indication to expect a statutory consultation on any code changes which are substantial which, for all MPF changes, may be the case.

EJ noted Part E most at risk if a statutory consultation is required.

The Steering Group queried if Ofwat consultation will have specific questions other than those which have already been asked by MOSL consultations. The group noted that Ofwat have been taking a risk-based approach previously, however, Ofwat's risk appetite has changed, and their approach may consider consultation on the same questions.

The Steering Group observed licence consultation is issued online by Ofwat with a response window of 28BD as opposed to a survey style consultation, which will partly mitigate the timeline impact on the programme.

The Steering Group noted the impact to the programme most likely on the timelines and thus being mitigated by planning and requested reassurance once reviewed.

The Steering Group requested sight of the revised programme plan to provide reassurance that statutory consultations have been considered.

Programme plan

MRO highlighted the design periods for each phase contain internal workshops and workshops with the Performance Advisory Group (PAG).

The Steering Group noted that during detailed implementation, we need to ensure it is still tied back to consumers/end customers.

ACTION: Programme team to review the eight key design principles of which customer outcomes was a primary one and will share with PAG again to ensure considered.

MRO noted the similarities with current framework, not designing from scratch.

The Steering Group queried and confirmed the plan shown does not account for the revised Ofwat statutory consultation dates and will be reviewed accordingly highlighting, however, Part E timescale is most likely to be affected.

The Steering Group noted the technology framework is to support the revised framework and confirmed the technology specification will be created and shared with trading parties following MoSCoW.

Members agreed would be useful for trading parties to review technical specification and how it will be implemented.

ACTION: Programme team to create and share technical specification with trading parties.

The Steering Group noted that MRO had spoken at last business customer forum and recommended further engagement at future meetings and via CCW newsletters.

ACTION: MRO to follow up with business customer forum on further engagement.

SM confirmed it is recent news regarding the Ofwat statutory consultations and MOSL will continue to work with Ofwat to understand how to mitigate the impact and update the programme to incorporate that.

The Steering Group advised that for the revised MPF to retain agility and flexibility moving forward, need to consider what is defined in code and the precision of the code without undermining the clarity of including things in the code.

The Steering Group noted current MPC members may wish to apply for PAC and thus early sight of ToR etc would be useful.

MRO highlighted the programme team were looking to provide outputs of first phase of metrics during April and provide an external survey to provide trading parties with the

opportunity to contribute. Additionally, external surveys to be issued for parts C and D and noted for Part E as it involves work on incentives, penalties and changes this will require a consultation.

The Steering Group queried and confirmed the consultation will be to the wider industry and for each of the checkpoints/parts the intention is to communicate with trading parties via webinars alongside the monthly contract manager updates already being held.

MRO highlighted the intention for a declaration from trading parties to be requested in November 2024 to confirm they are aware of the new framework, where to find it, how it will be delivered. Additionally, declaration will ensure all parties are aware of the related code documents.

The Steering Group noted trading parties will want to understand the impacts in particular the financial ones and would like early sight. Another impact will be on how the calculations work and to understand what to change to reduce the impact and to improve the service.

AS highlighted new documents to demonstrate the KPIs and the work involved in changing them will be brought forward at future meetings.

MRO provided an overview of the initial view of a 'MoSCoW' approach to the deliverables for the revised framework noting the 'must have' of clarity in explaining the calculations in the market codes and confirmed intention to have a webinar for each of the parts and provide the documents to indicate what things were in the old framework and what that is in the new framework.

The Steering Group queried and confirmed trading parties use their own systems to analyse performance based on the requirements/codes and that those systems use the output files produced by MOSL and interpret them. Additionally, middleware structured around the existing MPF e.g. SWIM alongside internal reports driven from existing files which are outputs from the existing MPF.

MRO highlighted the term MVP (Minimum Viable Product) was utilised for Bilaterals however for the MPF to be clear on the priorities, the preferred approach is to use MoSCoW.

ACTION: Programme team to include additional 'must haves' arisen from meeting including, documented calculations and specific training.

MRO noted the view at present would be a 'must have' of presenting an extract from CMOS for the new metrics as opposed to the 'could have' of making CMOS accessible to all trading parties as this would attract a significant cost.

The Steering Group queried and confirmed that the 'must haves' had been guided by the aspiration to provide enough to trading parties to do what they need to do and understand and react to the new MPF metrics in 2025 and is this one of the guiding principles for the metrics.

Financial budget

The Steering Group noted the MOSL business plan budget will be firmed up by June 2024.

Summary and Next steps

EJ further noted the Ofwat statutory consultation needs to be considered, and the plan reviewed.

MRO confirmed the MoSCoW approach was considered by the Steering Group to be acceptable internally however may not be best approach for communicating externally.

AOB

The Steering Group recommended to meet more frequently during the design phase and requested the slide pack to be circulated in advance of the meeting.

ACTION ITEMS

Item	Person	Date	Comments
Programme Plan	EJ		Revised programme plan to be provided to SG members
Design Principles	MPF Team		Programme team to review the eight key design principles
Design Principles	EJ		Eight key design principles to be shared with PAG members
Framework Review	MPF Team		Have trading parties review technical specification of the framework and how it will be implemented.
Terms of Reference for PAC	MPF Team		Terms of Reference for PAC to be shared with MPC members