



MPF Steering Group (11)

Location: MS Teams

Date and time: 02 May 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
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	MR	Implementation Manager
John Gilbert	JG	Programme Director
Lisa-Ann Lott	LAL	Notes

Apologies

Name	(Initial)	Role/Organisation
Chris Dawson	CD	PAG Chair
Mike Rathbone	MRa	Wholesaler representative

Risk and issues

EJ confirmed specific webinars and workshops being held with CCC and for May a drop-in session is being offered to members to ask specific questions prior to the main meeting.

ACTION: EJ to check with Panel Secretariat to ensure alternates are included.

The Steering Group noted that the alignment with BR-MeX will be answered in the draft determinations, due in June, and more work will be ongoing before final determinations.

The Steering Group noted the CCC risk did not include the final step of the Ofwat decisions and that the Ofwat risk was considered as an issue being treated separately in terms of length of statutory consultation.

The Steering Group noted programme's confidence regarding the technology solution and recommended that it may still be a more significant risk and may not be ready to be downgraded. Noting discussions with the technical team, first assessment indicates it is less complicated to build than originally thought.

ACTION: MOSL to review technology solution post June true up of budget and deliverables.

The Steering Group advised design solutions still to be worked through and should therefore be last risk to be reduced, urging caution.

Programme status update

MR noted time is currently flagged as a risk as the April 2025 timeframe is tight however programme making good progress.

The Steering Group noted that Part D, Financial tools, and possibly Part C, metrics, are likely to receive the most feedback, noting this point to be factored into timescales. New attendees at PAG meetings since metrics are being discussed.

MR highlighted review of the budget and deliverables to be actioned in June as per the Business Plan.

The Steering Group noted that the Ofwat approval length has been increased to consider the likelihood of statutory consultation during that period and advised the Panel detailed work should be flagged, particularly where there will be any material effect to the progress of the project specifically around customer outcomes. No significant changes were noted since consultation 3, however, some updates and industry reaction may be worth sharing with the

Panel e.g. lateness measures. Detail to Panel by exception where there are variations, to be provided.

MR highlighted Part C now represents all KPIs and these have been broken into phases. During the design process, the metrics will be looked at the same time as the corresponding financial tools and incentives. Intention to hold a consultation in June/July to ask, at principal level, how the financial tools will apply to the KPIs.

MR noted risk relating to delivery timescales towards the end of the process is getting to Code Change Committee in December and having no delays. Additionally, the risk of lengthy statutory consultation.

The Steering Group noted importance to provide visibility to all stakeholders to enable feedback to be provided should any issues arise as a result.

The Steering Group noted development of metrics may take longer at the start, however, upfront discussions may become less as we move through metrics and become more familiar and work more promptly.

MR noted work had begun on consultation 4 and details to be collated in June.

The Steering Group noted that the PAC will be included in discussions at the design phase using a similar process to the other metrics. PAC will be the decision maker in terms of the Additional Metrics and Market Indicators and MOSL as Market Operator will become the design house. PAC responsibility will need to be communicated effectively to the market to show the governance and oversight.

EJ noted that upfront details of consultations need to be provided and further noted that the programme team will provide early sight of documents prior to consultation in the same manner as provided for consultation 3.

Engagement checkpoints

MR noted a survey will be held to understand trading parties' engagement with the programme overall their understanding around what is being proposed regarding integration and preparation requirements. Larger trading parties have internal performance management systems which prompt potential performance failures, and these will need to be brought in line with the new framework.

The Steering Group noted whilst it is good to understand parties' perspectives the slowest should not determine the speed of the overall programme.

The Steering Group noted the go/no-go levels of Bilaterals have been considered for MPF and would look for a 95% of SPIDs in the market level to provide assurance.

The Steering Group highlighted the shadow period for each Part, during which trading parties will be able to see their performance from a new framework perspective alongside the current framework.

EJ noted the need to include technical build engagement checkpoints to ensure where information is used in a business process this has been considered.

Components of the new MPF

MR highlighted the new governance structure provides flexibility to make changes to the framework within each performance period, noting performance periods are also a new introduction which can potentially span three-to-five years.

The Steering Group noted that for consistency, it best be an evidence-based flexibility and be reviewing periodically, not constant changes. As risks and issues change these will be reviewed with the Performance Assurance Committee (PAC) to enable change if required.

MR noted performance data is currently shared via SharePoint however this is being reviewed to make the data accessible in multiple formats including potentially an API to enable parties to integrate and access their data directly.

The Steering Group emphasised that making data accessible is essential. The technical solution is an important part of a successful launch, and a lot of preparation will need to happen.

JG noted the framework must produce data that allows parties to manage their performance and must act as an enabler. The new MPF should consider how trading parties will use the data and use the MPF to improve their performance and be cognisant many trading parties have jeopardy management systems.

The Steering Group noted jeopardy management is a matter for trading parties and MoSCoW requires updating and noted trading parties should have the ability to use outputs from MPF for their own jeopardy/performance management.

MR provided an overview of the success criteria for the design process, noting that PAG meetings are producing good discussion and utilising the success criteria in the design process.

ACTION: MR to include checkpoints for reviews against the success criteria.

Finance update
SF provided an update on the programme budget noting will be finalised by end of June and risk is reducing.
Summary and Next steps
ACTION: EJ to advise members when videos and documents are published.

ACTION ITEMS

Item	Person	Date	Comments
Alternates	EJ		Ensure webinar and workshop alternates are included.
Technology Solution Review	MR		Review technology solution post June true up of budget and deliverables.
Budget Review	MR		Review of the budget and deliverables to be actioned in June as per the Business Plan.
Review Checkpoints	MR		Include checkpoints for reviews against the success criteria.
Documents and Videos	EJ		To advise members when videos and documents are published.