

Market Performance Framework

Performance Advisory Group – PAG13

07 December 2022

Agenda

1	Welcome	Chair	5 Mins
2	Review consultation Feedback (Activities only) & Activity Review	James Higgins/Axelle Saada/ Janet Judge	30 mins
3	Workshop session (inc comfort break) <ul style="list-style-type: none">Review 4 activities from pre-readReview & sign off methodology feedback	Chair/Axelle Saada/ Janet Judge	3 hours (15 mins intro, 2hr activities, 15 mins break, 15 mins endorsement)
4	Post workshop assignment	Chair	10 Mins
5	Any Other Business, upcoming meetings	Chair	10 Mins

Actions from Previous Meeting (1 of 1)

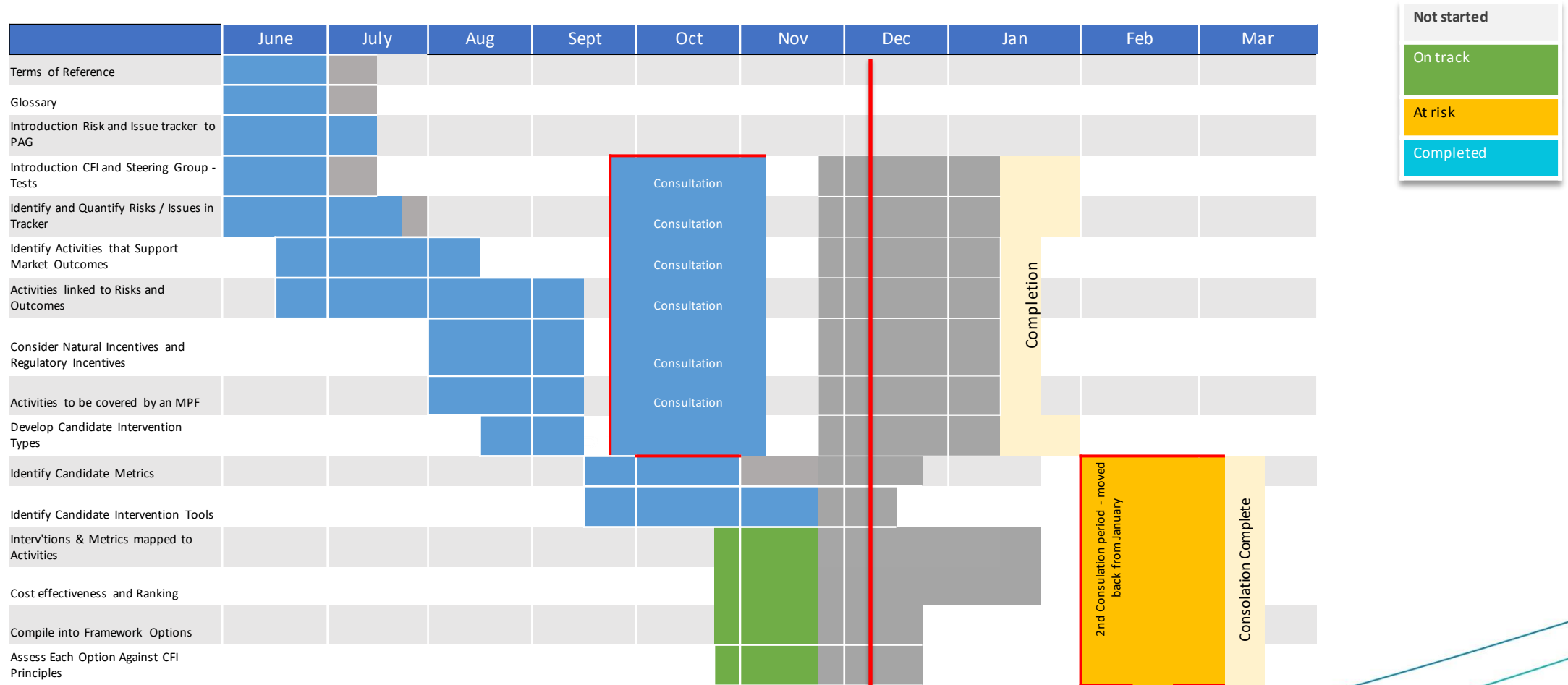
NO	Action required	Action by	Action Date
12/01	AS to update the template prior to issuing to members for review.	AS	25/11/2022
12/02	AB to send to MOSL details of categories of CCW complaints.	AB	07/11/2022
12/03	MOSL to review PAG meeting timetable for January/February with likelihood for 2-week slippage	MOSL	07/12/2022
11/01	Review UWE.6 once consultation feedback received. ('Refund') - Open To be completed post consultation	MOSL	7/12/22
11/02	Review CV.18, review 'appropriate' for this Activity. Should the Activity be split? - Open To be completed post consultation	AS & JJ	7/12/22
10/02	More work is required to ascertain metrics around and regarding collaboration against CV11 (and others). - Open	All/(AS, JJ)	07/12/2022 (Workshop)
10/05	Review order of workshop on 7 th Dec. Review Consultation first (to shortlist) and then move onto Activities Template. - Open	CD	07/12/2022 (Workshop)
09/01	Members to advise of any possible customer focused metric relating to CV.23 - Close	ALL	
09/02	Members to suggest any method to develop a metric regarding refunds in respect of UWE.6 - Close	All	
01/04	Ensure customers have an opportunity to engage in consultations as the MPF programme progresses (consultations currently anticipated to begin in late September) Open - Close	MOSL	10/10/22

Chair
09:05

Minutes and Agenda items can be found -

<https://mosl.co.uk/groups-and-forums/project-groups/performance-advisory-group-pag>

Review Progress to date (1 of 1)



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About this slide deck

- 💧 This slide deck is a high-level summary of responses to MOSL's consultation on the Market Performance Framework (MPF) Reform
- 💧 The consultation ran from 10 October to 11 November 2022
- 💧 The content of this slide deck is a selection of notable general feedback chosen by MOSL from the consultation
- 💧 There is much more feedback related to individual risks, issues, activities, and prioritisation
- 💧 You can download a full summary report with all the consultation feedback from MOSL's website [here](#)

Respondent profile

Group	Number of respondents
Wholesalers	15
Retailers	9
Other	7
Total	31

*includes verbal feedback provided in webinars that MOSL invited stakeholders to attend

Q1: Do you believe there are any activities missing?

Retailer Responses	Wholesaler Responses
Retailer activities are too extensive and complex	Some activities are out of scope of wholesalers' obligations (e.g. CV.4) and the obligation of wholesalers with respect to water quality management and regulation requirements needs to be clarified further
Monitoring of transfer reads communicated to retailers	Retailers and wholesalers jointly supporting customers during unplanned events
Wholesaler investigating possible water leaks in vacant premises	Proactive retailer skip code management and associated raising of remedial activities
	Identify and resolve customer-side leakage
	Retailers providing customer emergency contact details
	Wholesalers regularly validating meter reads used in settlements

Some activities are out of scope of MOSL's remit.

Q2: Do you think there are any risks or issues missing?

Retailer Responses	Wholesaler Responses
Some market-wide risks cannot be mitigated by MPF. Should be intervened on by Strategic Panel and Ofwat	Make the link between data improvement [risks and issues] and improved customer outcomes clearer
	SPID volume used in assessing risks and issues needs balancing against number of trading parties contributing to the volume
	Wholesalers responsibility for managing unplanned events and alerted of any changes in occupancy
	Wholesalers and retailers lack of cooperation in the management of unplanned events.
Recommend ongoing review of risks and issues and their severity scores, including new ones that arise.	

Q3: Do any risks or issues seem under or overstated in terms of severity?

Retailer Responses	Wholesaler Responses
<p>Sense check relative ranking of risks and issues (e.g. CSE022 about info on customer satisfaction with retailers’ performance ranks higher in terms of severity, than CSE002 about missing meter reads)</p>	<p>Risks and issues, and their severity scores, should change after assessing the datasets supporting the risk assessment</p>
<p>Certain risks and issues should be excluded, despite having substantial impact on the market, if they are not appropriate for the MPF</p>	<p>Retailer service issues are likely to be as prevalent as wholesaler service issues, and so retailers can affect customer experience as much as wholesalers do</p>
	<p>Review the benefits of improvement in new connection data and the use of information supplied by wholesalers for customer experience</p>

Q4: Do you believe there are activities that have not been mapped to the risks and issues they help mitigate?

Retailer Responses	Wholesaler Responses
	SPID deregistration process
Extend risk and issues process to identify best vehicles for risk mitigation, where MPF is not suitable	
Update the risk and issue tracker as a live document	

Q5. Are there any prioritised activities you believe are missing or any that have been included which you believe shouldn't be there? Consider the extent to which activities are covered by natural and regulatory incentives.

Retailer Responses	Wholesaler Responses
<p>Retailers pay settlement charges and provide credit assurance, and if data is missing/inaccurate or wholesalers fail to provide data or services, retailers cannot recover charges from customers. Hence, retailers' natural incentive to mitigate the risks they face have not been sufficiently accounted.</p>	<p>Submission of customer query forms to wholesalers is critical and this is a retailers' responsibility. Prioritising CV.7 is also important as this activity facilitates activities CV.9 and GS.9.</p>
	<p>Data improvement activities are prioritised more highly than customer focused activities,</p>
	<p>Lack of useful collaboration between trading parties, for example, between retailers and wholesalers in relation to vacant premises</p>

Q6. Are there any types of interventions that you believe are missing?

Retailer Responses	Wholesaler Responses
Higher risk activities' interventions should sit in the remit of Ofwat and not MOSL	Map sanctions to the activities or issues market participants have so far failed to undertake
Meetings between trading parties and MOSL could be utilised to proactively provide feedback on ways to improve, to avoid the use of interventions	Consider activity dependencies when designing interventions and the interplay between trading parties who are relevant stakeholders
Definition of retailers' responsibility for meter reads in vacant premises should be clearer and aligned with LUMs measure, whereby internal vacant LUMs should be excluded	Publishing performance is effective it should apply for majority of MPF measures. Balance needed for what is published for customers and trading parties
<p>JH/AS/JJ 09:35</p>	MOSL should review proposed interventions collectively against the market codes to ensure that the activities allow trading parties to meet their market codes obligations

Feedback on activities

- ◆ New activity
 - ◆ **GS.10 – Market participants to support customers during unplanned events, including appropriate maintenance and use of customer emergency contact details**
- ◆ Activities amended
 - ◆ CV.1 – **Outgoing** retailers to handover good quality timely customer data **and incoming retailer to take a timely actual transfer reads** on customer switching
 - ◆ CV.3/UWE.3 - Wholesaler to make sure that CMOS is regularly updated with good quality accurate asset and premises data including ~~assessing eligibility for the market and~~ timely deregistration of premises not eligible where appropriate

Feedback on activities

- ◆ Activities amended
 - ◆ CV.7 - Retailers to report customer queries to wholesalers in a **comprehensive and** timely manner
 - ◆ CV.9 - Wholesaler to resolve request in timely and efficient manner (with regards to customer needs) **to the appropriate level of quality**
 - ◆ CV.18 - Provision of timely and accurate ~~and appropriate (i.e. meeting wider customer and water efficiency needs)~~ tariffs into the central systems

Feedback on activities

- ◆ Activities amended
 - ◆ UWE.1 - Wholesalers to notify retailers when potential supply pipe leaks are identified **and collaborate with retailers on leaks at vacant premises**
 - ◆ UWE.4 - Retailers facilitate the provision of timely and accurate consumption data to customers **and support them in resolving supply pipe leaks**
 - ◆ GS.1 - Retailers provide clear information to customers on what their rights are (e.g. ~~payment protection plans in respect of credit balances~~, right to formally dispute the money owed under contract)

Feedback on prioritised activities

Activity should not be included in MPF – proposing to retain

Activity Reference	Activity Title	No. of Retailers	Rationale given
CV.4	Retailers to provide product details and prices clearly to customers	3	Not a requirement of the market codes and therefore extends regulation. Natural and business incentives already exist (natural remedy) Can be better addressed outside of the MPF (existing requirements under REC and CPCoP)
GS.1	Retailers provide clear information to customers on what their rights are (e.g. in respect of credit balances, right to formally dispute the money owed under contract)	1	Not a requirement of the market codes and therefore extends regulation. Natural and business incentives already exist. Can be better addressed outside of the MPF

Feedback on prioritised activities

Activity should not be included in MPF – proposing to retain

Activity Reference	Activity Title	No. of Retailers	Rationale given
CV.5	Suppliers make customers aware of their ability to switch	1	Not a requirement of the market codes and therefore extends regulation. Retailers operate in a competitive market
CV.8	Retailers to keep customers informed on query resolution	1	Natural and business incentives already exist and there are reputational incentives from CCW reporting
CV.11	Market participants work collaboratively to facilitate the provision of accurate data necessary for innovation.	1	The activity description is too open and could lead to extensive regulatory requirements. Not a requirement of the market codes and therefore extends regulation. Retailers operate in a competitive market

Feedback on prioritised activities

Activity should not be included in MPF – proposing to retain

Activity Reference	Activity Title	No. of Retailers	Rationale given
CV.23	In the absence of a meter read retailers should make sure an accurate estimation of consumption is made	3	Not a requirement of the market codes and therefore extends regulation. Natural and business incentives already exist (natural remedy) Can be better addressed outside of the MPF Limited additional benefit as may not be additional information available to inform a change in YVE.
GS.4	Retailers provide clear and accessible information on their relative customer satisfaction performance	1	Not a requirement of the market codes and therefore extends regulation. Natural and business incentives already exist Can be better addressed outside of the MPF
UWE.6	Retailers provide high quality bills that are based on evidence and supported by consistent and clear terms and conditions to customers and refund customers on a timely basis	2	Not a requirement of the market codes and therefore extends regulation. Natural and business incentives already exist (natural remedy) Can be better addressed outside of the MPF

Feedback on prioritised activities

Activity should not be included in MPF – proposing to retain

Activity Reference	Activity Title	No. of Retailers	Rationale given
CV.12	Market participants work collaboratively to implement processes (e.g. open data) to facilitate innovate trials and experiments [regulatory sandbox]	1	The activity description is too open and could lead to extensive regulatory requirements. Not a requirement of the market codes and therefore extends regulation. Retailers operate in a competitive market

Top tier activities (11 activities)

(1) This activity was considered essential by the PAG and has been “moved up” from the bottom activities. They argued that data quality issues at the point of new connection would have repercussions on the SPID’s data during its entire lifecycle.

REF	Activities and Behaviours	No of Direct Risks	Total Cust Impact & Risk Score	3	4	6	9
CV.3 / UWE.3	Wholesaler to make sure that CMOS is regularly updated with good quality accurate asset and premises data including timely deregistration of premises not eligible where appropriate	7	48	0	0	5	2
CV.2 / UWE.2	Retailers to make sure that CMOS is regularly updated with good quality customer and consumption data	6	42	0	0	4	2
GS.9	Wholesalers efficiently maintain working/functioning assets, including meters which must be working accurately and be readable	3	24	0	0	1	2
UWE.7	Wholesalers ensure availability of appropriate meter assets (including smarter meters where relevant) sufficient to meet the needs of customers or to drive the right customer and water efficiency behaviours	3	24	0	0	1	2
GS.1	Retailers provide clear information to customers on what their rights are (e.g. in respect of credit balances, right to formally dispute the money owed under contract)	2	18	0	0	0	2
GS.3	Retailers resolve complaints in a timely and efficient way	2	18	0	0	0	2
UWE.4	Retailers facilitate the provision of timely and accurate consumption data to customers and support them in resolving supply pipe leaks	4	25	0	1	2	1
UWE.5	Market participants work collaboratively to share and utilise additional data (e.g. wholesaler meter reads, SIC) to ensure accurate (consumption) data is made available to facilitate efficiency offerings to customers	4	25	0	1	2	1
CV.4	Retailers to provide product details and prices clearly to customers	3	19	0	1	1	1
CV.6	Retailers to provide sufficient level of actual meter reads to ensure accurate consumption data (giving accurate settlement and customer billing)	3	18	1	0	1	1
CV.15 (1)	Market participants improve processes to facilitate new connections (including non-eligible customers post development or change of use)	2	12	0	0	2	0

Middle tier activities (16 activities)

REF	Activities and Behaviours	No of Direct Risks	Total Cust Impact & Risk Score	3	4	6	9
CV.11	Market participants work collaboratively to facilitate the provision of accurate data necessary for innovation.	2	15	0	0	1	1
CV.13	Market participants improve processes to identify gaps sites and bring into charge	2	15	0	0	1	1
CV.16	Market participants work collaboratively to ensure vacancy classification is accurate and resolve associated issues	2	15	0	0	1	1
CV.18	Provision of timely and accurate tariffs into the central systems	2	15	0	0	1	1
GS.10	Market participants to support customers during unplanned events, including appropriate maintenance and use of customer emergency contact details	2	15	0	0	1	1
UWE.6	Retailers provide high quality bills that are based on evidence and supported by consistent and clear terms and conditions to customers and refund customers on a timely basis	2	15	0	0	1	1
GS.5	Wholesalers better reflect the needs and requirements of their non-household customers in the provision of non-household services, including trade effluent and planned/unplanned events	2	13	0	1	0	1
GS.8	Wholesalers to provide timely, clear and concise explanations around most common customer wholesale-related queries	2	13	0	1	0	1

Middle tier activities (16 activities cont.)

REF	Activities and Behaviours	No of Direct Risks	Total Cust Impact & Risk Score	3	4	6	9
CV.5	Suppliers make customers aware of their ability to switch	1	9	0	0	0	1
CV.7	Retailers to report customer queries to wholesalers in a comprehensive and timely manner	1	9	0	0	0	1
CV.8	Retailers to keep customers informed on query resolution	1	9	0	0	0	1
CV.9	Wholesaler to resolve request in timely and efficient manner (with regards to customer needs) to the appropriate level of quality	1	9	0	0	0	1
CV.23	In the absence of a meter read retailers should make sure an accurate estimation of consumption is made	1	9	0	0	0	1
GS.2	Retailers provide clear information to customers on how the complaints process works	1	9	0	0	0	1
GS.4	Retailers provide clear and accessible information on their relative customer satisfaction performance	1	9	0	0	0	1
GS.6	Wholesalers provide clear and accessible information on their relative performance on non-household services	1	9	0	0	0	1

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Workshop session

Why are we here?

- Which intervention to take into the next stage phase.
- Before drilling down from Intervention Types into Tools, we need to shortlist the Intervention Types and Metrics to give us a short list of Possible Tools to review.

What are the templates for?

- Identify what Candidate Metric can be used with Candidate Interventions
- Identify the appropriateness and cost effectiveness
- Shortlist appropriate Interventions and Metrics for each activity

Workshop session

1) Review 4 Activities template and review the following:

1. Review, add, or comment on relevant metrics to intervention types
2. Review or comment RAG rating of cost of Intervention type
3. Provide any overall comment on Methodology

2) Seeking Endorsement Activity template and Methodology

Activity UWE.4

UWE.4 – Retailers facilitate the provision of timely and accurate consumption data to customers

- 💧 Review as a group Activity template review
- 💧 [Shortlisting - UWE.4.xlsx](#)

Name	Group	Activity	W/R/O
Adam Boyns	1	UWE.4	O
Emily Jerrome	1	UWE.4	R
Richard Varley	1	UWE.4	W
Andrew Smith/ Jamie Davies	2	CV.5	R
Jon Fuller	2	CV.5	W
Sarah Scott	2	CV.5	R
Claire Yeates/Neil Pendle	3	GS.8	R
Kate Russell	3	GS.8	W
Trevor Nelson	3	GS.8	R
David Morris	4	GS.6	R
Michael Rathbone	4	GS.6	W
Wendy Monk	4	GS.6	R

- 1) Metrics to intervention types
- 2) RAG rating of cost of Intervention type
- 3) Comment on Methodology

Activity CV.5

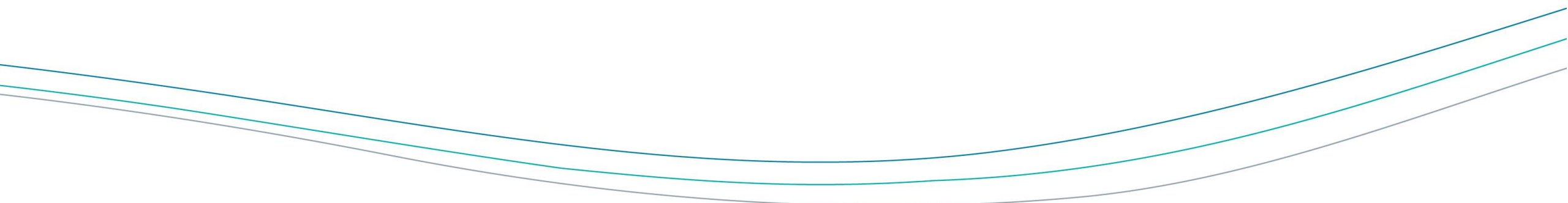
CV.5 – Suppliers make customers aware of their ability to switch

- 💧 Review as a group Activity template review
- 💧 [Shortlisting - CV.5.xlsx](#)

Name	Group	Activity	W/R/O
Adam Boyns	1	UWE.4	O
Emily Jerrome	1	UWE.4	R
Richard Varley	1	UWE.4	W
Andrew Smith/ Jamie Davies	2	CV.5	R
Jon Fuller	2	CV.5	W
Sarah Scott	2	CV.5	R
Claire Yeates/Neil Pendle	3	GS.8	R
Kate Russell	3	GS.8	W
Trevor Nelson	3	GS.8	R
David Morris	4	GS.6	R
Michael Rathbone	4	GS.6	W
Wendy Monk	4	GS.6	R

- 1) Metrics to intervention types
- 2) RAG rating of cost of Intervention type
- 3) Comment on Methodology

Comfort break



Activity GS.8

GS.8 – Wholesalers to provide timely, clear and concise explanations around most common customer wholesale-related queries

- 💧 Review as a group Activity template review
- 💧 [Shortlisting - GS.8.xlsx](#)

Name	Group	Activity	W/R/O
Adam Boyns	1	UWE.4	O
Emily Jerrome	1	UWE.4	R
Richard Varley	1	UWE.4	W
Andrew Smith/ Jamie Davies	2	CV.5	R
Jon Fuller	2	CV.5	W
Sarah Scott	2	CV.5	R
Claire Yeates/Neil Pendle	3	GS.8	R
Kate Russell	3	GS.8	W
Trevor Nelson	3	GS.8	R
David Morris	4	GS.6	R
Michael Rathbone	4	GS.6	W
Wendy Monk	4	GS.6	R

- 1) Metrics to intervention types
- 2) RAG rating of cost of Intervention type
- 3) Comment on Methodology

Activity GS.6

GS.6 – Wholesalers provide clear and accessible information on their relative performance on non-household services

- 💧 Review as a group Activity template review
- 💧 [Shortlisting - GS.6.xlsx](#)

Name	Group	Activity	W/R/O
Adam Boyns	1	UWE.4	O
Emily Jerrome	1	UWE.4	R
Richard Varley	1	UWE.4	W
Andrew Smith/ Jamie Davies	2	CV.5	R
Jon Fuller	2	CV.5	W
Sarah Scott	2	CV.5	R
Claire Yeates/Neil Pendle	3	GS.8	R
Kate Russell	3	GS.8	W
Trevor Nelson	3	GS.8	R
David Morris	4	GS.6	R
Michael Rathbone	4	GS.6	W
Wendy Monk	4	GS.6	R

- 1) Metrics to intervention types
- 2) RAG rating of cost of Intervention type
- 3) Comment on Methodology

ENDORSE: Endorsement Activity template and Methodology

- 💧 What Endorse covers – The Methodology and template for first review of Intervention Types and Metrics
- 💧 What this Endorsement doesn't cover – The final list of Intervention Types and Metrics.
 - 💧 Will be seeking endorsement on these in January after PAG review PAG 14 – 25 January 2023

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Post workshop assignment

- 💧 Review top tier Activities (11 Activities)
 - 💧 Sending out W/C 19th December
 - 💧 Responses back for review by 18th January

AOB Future meetings (1 of 1)

Meeting Date	Discussion / Introductions / Endorsements
PAG 14 – 25 January 2023 (Extended meeting)	1) Review feedback and endorse on prioritised (top tier) Activity templates 2) Review remaining (middle tier) Activities for proposed in MPF 2 3) Introduction tools (post-it notes version) mapped to shortlisted intervention Types
PAG 15 – 8 February 2023	1) Feedback on Middle tier Activity templates 2) Endorsement of (content) tools descriptions.
PAG 16 – 22 February 2023	1) Introduction to proposed consultation 2 material 2) Assess framework against CFI principles & review quick wins 3) Check against risks (as per TN’s suggestion) 4) Consultation 2 content