

Minutes of the Performance Advisory Group 17

26 April 2023 – 10:00 to 12:00

MEMBERS PRESENT

Kate Russell	KR	Yorkshire Water	Michael Rathbone	MR	Severn Trent
Jamie Davies	JD	Castle Water	Jon Fuller	JF	Wessex Water
Wendy Monk	WM	Wave	David Morris	DM	Waterplus
Trevor Nelson	TN	Business Stream	Adam Boyns	AB	CCW
Kevin McCalliskey	KM	South West Water	Emily Jerrome	EJ	Water2Business

OTHER ATTENDEES

Axelle Saada	AS	MOSL	Sam Webb	SW	MOSL
Phoebe Nixon	PN	MOSL	Evan Joanette (Chair)	EJo	MOSL
Lisa-Ann Lott	LAL	MOSL (Notes)			

APOLOGIES

Andrew Smith	AS	Castle Water	Claire Yeates	CY	Waterscan
Neil Pendle	NP	Waterscan	Richard Varley	RV	Southwest Water
Elena Vaccarino	EV	PwC	Ben Gough	BG	PwC
Shaun Kent	SK	Ofwat	Sarah Scott	SS	Veolia
Adam Richardson	AR	MOSL	Steve Formoy	SF	MOSL
John Gilbert	JG	MOSL	Janet Judge	JJ	MOSL

James Higgins	JH	MOSL	Jak Gibson	JGi	MOSL
Chris Dawson	CD	MOSL (Chair)	James Mackenzie	JM	CCW

ACTIONS FROM MEETING(S)

NO	Action required	Action by	Action Date

1	Welcome
	The Chair welcomed attendees to the meeting, noted apologies and confirmed the agenda.
2	Actions from previous meeting
	All actions closed from last meeting.
3	Review progress to date & Steering Group feedback
	<p>Chair updated members on present position confirming intention to run consultation 3 July/August 2023.</p> <p>TN enquired about ‘shrinking down’ noting feedback not only on tools and metrics but also on activities.</p> <p>Chair replied will also include a review of activities with a top-tier draft already in place.</p> <p>TN further enquired why is this not shown on the plan – which activities to include and time for the PAG to be included in those discussions.</p> <p>Chair noted and will revert with MOSL colleagues to include/call out more specifically on the plan. AS confirmed refining tools and metrics will aid the process of streamlining activities and therefore not a standalone workstream.</p> <p>TN noted bottom up approach and aided holistic thinking thus far however top down may now be required.</p> <p>KR commented on Ofwat working group on BR-MeX noting desire of the group to include MPF measures within BR-MeX and whether this will be a separate workstream.</p>

	<p>Chair noted KR's feedback and confirmed will be liaising with Ofwat in regard to this.</p> <p>AB endorsed TN's view and the need to revert to discussions on activities. JD also endorsed TN's view and noted the need to review the risks and what activities are driving the risks/behaviours that the MPF should be discouraging.</p> <p>AS confirmed approach can be updated to work from activities and their associated risks rather than working from tools/metrics as an exercise with the PAG.</p> <p>LAL highlighted to members, PAG will be actively engaged with in regard to the streamlining and noted changes to the upcoming meeting schedules to incorporate longer workshop style sessions in advance of consultation 3.</p>
<p>4</p>	<p>Quick wins update</p>
	<p>AS provided an update to members on Quick wins noting this is the first sight for PAG members.</p> <p>AS opened with the benefits of potential quick wins.</p> <p>Chair noted the proposals were not an exhaustive list of candidate quick wins and requested PAG members provide details if they believe there are other candidates for inclusion. Chair asked members to consider if 1) Anything we can quickly START doing also? 2) Are there lower value/low or no customer risk MPF elements that relate to retailers that we can add to this list.</p> <p>AS provided the rationale and principles for the current list of candidate quick wins.</p> <p>EJ noted in respect of MPS7 it is high risk to remove from a customer experience and billing perspective as some transactions are being undertaken outside of the Bilaterals Hub and therefore are not being double counted but would be included in MPS7 reporting.</p> <p>JF agreed with EJ regarding MPS7, it should not be removed at present.</p> <p>TN noted no issue with quick wins where current measures are at odds with the potential revised framework, however, may not be necessary given the time and resource required to remove measures may not out way the advantages of doing so. TN also highlighted the measures proposed reflect on Wholesalers and they are not subject to the same natural incentives as Retailers so would have concerns about switching these off.</p> <p>AB noted no issue with quick wins and agreed the principles and rationale applied however not clear what the benefit would be at this stage to switching off certain measures as whilst no negative impact what is the positive impact, can benefits be brought forward earlier.</p>

	<p>WM built on the view of other members noting cannot identify the disincentives and thereby difficult to justify switching off measures.</p> <p>JD noted would like to focus on the risks within the market and whilst can appreciate tidying up current MPF with the quick wins may be the wrong focus.</p> <p>TN noted whilst measures are likely to be switched off is it really necessary to action early as it could cause duplication of workload and measures can remain as they are not causing an impact/disincentive at present.</p> <p>TN further noted if there is a quick win which introduces a measure such as APIs via holistic reporting this may offer better value for the workload. SW noted it may be easier to add in API's as suggested by TN.</p> <p>MOSL to review quick wins further taking on board PAG feedback.</p>
5	Outline business case
	<p>LAL ran through the business case approach and details of the Outline Business Case noting the Strategic Outline Case was approved by the Strategic Panel in February 2023.</p> <p>LAL highlighted the Outline business case will be presented to the MPF Steering group in May 2023 for their approval and the Full business case will be presented to the Strategic Panel in September.</p> <p>LAL explained to members the request for feedback which will be sent to them in respect of potential benefits of a reformed framework, highlighting the request will include feedback on identified benefits and their likely magnitude.</p> <p>LAL noted feedback will be requested by the end of May.</p> <p>TN enquired if disbenefits/risks could also be noted within the feedback; LAL confirmed this is very welcome.</p>
6	AOB
	<p>LAL highlighted the changes made to upcoming meeting invites both dates and duration of meetings.</p> <p>Members noted PAG 18 on 31 May clashes with school half term and a number of members offered apologies. MOSL to review date and update accordingly.</p>