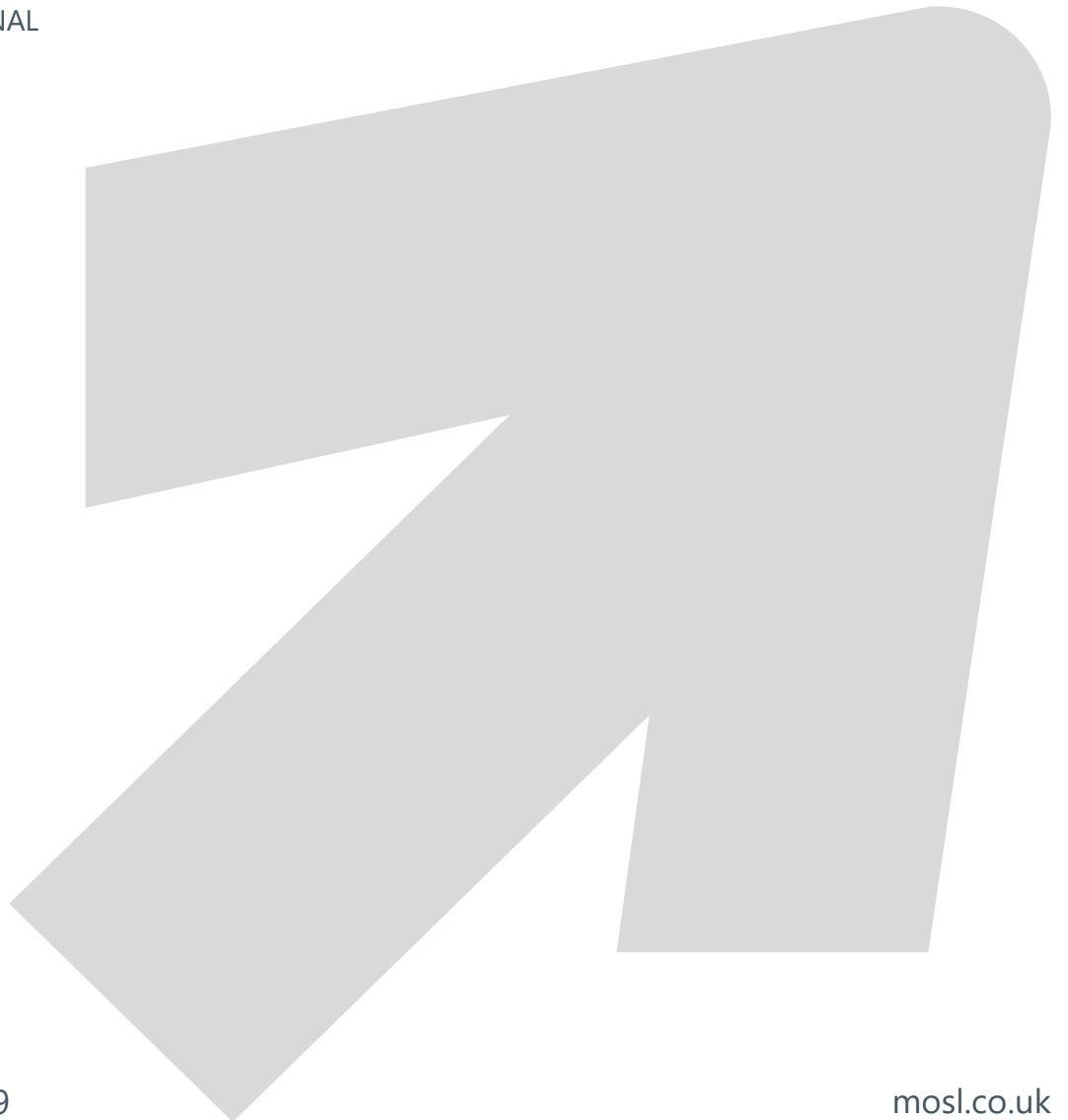


Performance Advisory Group (PAG) 46

Location: MS Teams

Date and time: 31 July 2024, 1000 - 1100

Status of minutes: FINAL



Meeting Minutes

Market attendees

Name	(Initial)	Role/Organisation	Name	(Initial)	Role/Organisation
Clare Garland	CG	United Utilities	Noel Bradley	NB	Yorkshire (W)
Daniel Proctor	DP	Waterplus (R)	Paul Baker	PB	Business Stream (R)
David Morris	DM	Waterplus (R)	Paul Walmsley	PW	Yorkshire (W)
David Moss	DMo	Castle (R)	Peter Strain	PS	Castle (R)
David Seymour	DS	Thames (W)	Rebecca Gale	RG	WaterScan
Gillian Bladen	GB	South West (W)	Robert Hetherington	RH	Ofwat
Jacob Head	JH	Water2Business	Shakima Fagan	SF	Everflow (R)
Jamie Davies	JD	Castle (R)	Shaun Kent	SK	Ofwat (O)
Jordanna Lo	JL	Business Stream (R)	Tim Brewer	TB	Wessex (W)
Julie-Ann Anderson	JAA	Ses	Trevor Nelson	TN	Business Stream (R)
Mark Howell	MH	WaterPlus (R)	Victoria Milton	VM	South West (W)
Mary Porter-Chorley	MPC	South Staffs	Wendy Monk	WM	Wave (R)

MOSL Attendees

Name	(Initial)	Role	Name	(Initial)	Role
Miles Robinson	MR	Chair	Nichola Sampford	NS	Observer
Oliver Robins	OR	Presenter	Janet Judge	JJ	Observer
Abby Jackson	AJ	Observer	Luke Coyle	LCo	Observer
Adam Richardson	AR	Observer	Amy English	AE	Observer
Huw Comerford	HC	Observer	Sam Webb	SW	Observer
Evan Joanette	EJ	Observer	Sauda Dickinson	SD	Notes

1.	<p>Welcome & update</p>
	<p>MR welcomed all members to the meeting and confirmed the agenda</p> <p>MR reminded attendees that minutes and slides are all published on the MOSL website for review and comment via mpfreform@mosl.co.uk</p> <p>MR presented a reminder on the delivery phases for part C, as on slide 4.</p> <p>MR presented a reminder on the MPF plan, as on slide 5.</p>
2.	<p>Bilaterals Metrics</p>
	<p>OR presented previous and upcoming workshops, and high-level takeaways from PAG 45, as on slides 8 and 9.</p> <p>OR presented Bilaterals 101, key terms and definitions, as on slide 10, 11 and 12.</p> <p>OR presented what to do with cancellations, as on slide 13.</p> <p>OR advised that it was noted that only a very small percentage of completed SLAs are on requests which end up being cancelled and raised the question whether these SLAs should continue to be excluded in the new KPIs.</p> <p>OR noted that some preference from the last PAG meeting and offline feedback was that we continue to exclude them.</p> <p>OR raised the question to PAG members on their views on how we treat cancelled requests in M18 and M15.</p> <p>TN raised concern and confusion around how a cancelled request could be removed.</p> <p>OR advised that a request can only be cancelled by the person who raised it and that a request can be cancelled at any point in the process and advised that in the current regime we wait until the request has been closed before it goes into the report.</p> <p>TN noted that the current aim is to report when an SLA has just been missed rather than waiting for completion, so in that case, you wouldn't know that a request is going to be cancelled, and advised that if it is measured up to the point that the metric is run, then it should be included and that if an SLA hasn't been met, it should be recorded.</p>

OR advised that perhaps for something that has become outstanding, it continues to be reported as outstanding until the point it gets cancelled, then it should be removed from that report, and further advised that that would bring question to the validity of the report.

EJ agreed with TN's point and advised that if PAG decides that we don't go with complete and we go with SLAs, then you just stick with what was noted at the time of reporting.

EJ further noted that assuming cancelled requests were reported on completion, there wouldn't be a big cost implication of including or excluding them and enquired if there was an assumption on that.

OR agreed with EJ's assumption and advised that including or excluding cancellations will not greatly impact what performance looks like and noted that we need to think about what the right thing to do is if the aim is to incentivise the correct behaviours.

DM advised that there are limitations in place around cancellations and there could be a behavioural impact if we choose not to include cancellations.

OR posed the question to PAG members **whether anyone was in favour of excluding these SLAs** from reporting.

GB noted a preference for exclusion to start with but expressed mixed feelings for inclusion and exclusion as there are various reasons for cancellations and before knowing the reason for cancellation, including them may have an unwanted impact on performance.

GB raised the question if from late completion to resubmission with a query that isn't valid, and is then cancelled, would and should that be included.

OR advised that there would be no concern as the request would be cancelled by the person who raised the request and the cancellation would be valid, so, there wouldn't be a missed element of true report.

GB advised that inclusion and exclusion should be based on the reason for cancellation because if it is cancelled as it should never have existed, then it **shouldn't be included** and if it was cancelled for some other reason down the line, then it **should be included**.

OR advised MOSL would possibly formulate some of these ideas and come in with a preference at the next meeting.

MR noted comments in the meeting chat supporting the suggestion that it should be excluded up to a certain point and then included if cancelled after.

TN noted that these conversations were not had with M01 and advised that the equivalence issues need to be considered.

MR noted a comment in the meeting chat from PW – Given the data on the slide, there shouldn't be many instances of this being done, but if it tightens up practise, that's a good thing.

OR that there is an option to exclude if it's cancelled before the SLA window has expired and include it if it's cancelled after the SLA is complete.

MR noted a comment in the meeting chat from DM – agreeing with TNs point and noted that if the rate of cancellations is monitored and audited by most related to increase.

MR noted a comment in the meeting chat from PB – we're only talking about 0.48% of requests and not a lot of time resources going and measured there insignificant compared to resubmissions and rejections.

DS advised that if you do include cancellations where the SLAs have been completed on time and is cancelled after, it would still be claimed as a pass and that it needs to work on all requests and if it's completed in time, it should still be counted as completed in time even if it is cancelled afterwards.

OR advised that it would be fair to measure the successes and failures if these cancellations were to be included into the final scores

OR presented **should M15 focus on M18 failures or failures and successes**, as on slide 14.

PB advised that M15 should be measuring the lateness of all tasks and not just completed task and enquired whether we were referring to completed tasks only.

OR advised that the question stands for both instances and that it still needs to be decided whether M15 will be reported based on what is outstanding or reported based on what is outstanding and what has been achieved on time.

OR confirmed that the point was taken away to confirm in the next PAG meeting whether these metrics are related to completed tasks or all tasks.

TN referred the complication presented around duplicates on option 2 and advised that it would be diluting if a wholesaler is successful on all SLAs and most tasks are completed on time, so the converse of the duplicate would be true - good performance in M18 will also be represented as good performance in M15, and the same for bad performance.

TN further noted a **preference for option 1**.

DM raised the question to PAG member if they thought it would yield the right behaviour in delivering quicker customer outcomes if parties are held to these criteria.

DM noted that both options have complications and the possibility of exploitation when counting all '.R' and '.W's' and raised concern whether the averages would cause the correct behaviours and expressed uncertainty as to whether average lateness is something we should be looking at.

MR enquired whether DM had a different metric in mind.

DM advised we should be looking at the lateness of single tasks and the compounding issues that happen with those single tasks.

DM further advised that processes are too complex around requests and back and forth between trading parties and that the impact should be compounding, and that average lateness won't truly inform the customer journey on a singular basis.

OR advised that charges would not necessarily be based on average lateness, the charges would be applied based on total lateness and that the average is just a way of ranking and comparing performance across parties in a peer comparison report.

DM advised that wholesalers could be ranked in manner of cases that have gone through the most amount of lateness, escalations and resubmissions and that these are the types of measures that should be looked at regarding averages.

DM further noted that it is a flawed approach that doesn't suit scalability from large to small trading parties.

EJ advised that should we decide that M15 could do double duty, then maybe one option is M18 persists as an API.

EJ further advised that we could maybe have a lower performance and upper performance standard and that it does not necessarily have to be on an average.

OR presented **Examples**, scenarios on lateness, as on slide 15.

OR posed the question whether we want to keep M15 and M18 separate or whether we prefer a version of M15 which takes the level of failure on M18 into account and if so, do we retire M18 or does it become an additional metric.

MR noted a comment in the meeting chat from PW – If we are discussing at a later date - it would be good to see an anonymised 'live' snapshot of what it would mean for trading parties, rather than just worked examples.

OR advised that PW's comment was one to take away but advised that we currently don't have this way of reporting days late.

TN advised that we should go back to the original reasons for these metrics and make sure that we're not diverting from their original purposes.

GB noted a preference for **option one**, but with some outside of normal performance.

GB enquired what would happen with things that are already late at the time of go live.

MR advised that MOSL is aiming to share a view of the transition plan by end of August.

OR presented the question **can concerns be managed by providing greater context around reports**, as on slide 16.

OR noted an understanding that these exceptionally late outliers can distort an average but that that might be something we can account for by presenting total lateness or total tasks alongside the average.

MR noted that at the next PAG meeting it might be worth presenting the goal for these metrics and what the success criteria is.

SK noted that it was worth remembering considerations from BR-MeX and advised that option two is not inconsistent with what we're trying to achieve.

OR advised to keep in mind the distinction between BR-MeX and MPF as BR-MeX will likely require a single view of completion and lateness if both are to be factored into a single overall BR-MeX score with additional inputs.

MR noted a comment in the meeting chat from DM – Why can't we measure:

a) Total number days remaining prior to SLA breach

b) Total number of days over SLA breach

Minus a and b to get scoring? That way we are at least a little closer to getting 'good completion'

We still need to compound and add multiple requests.

OR noted a high-level agenda for the next PAG meeting around M18 and M15.

	<p>MR noted a comment in the meeting chat from DP – how would it work if a wholesaler hit targets to be classed as an over performer but has some very old late tasks?</p> <p>OR advised that currently you would be getting penalties on those very late tasks, you'll be charged on those.</p> <p>OR further noted that this is where it needs to be worked out where the triggers are right and where the true incentive sits and making sure that creates the incentive for the desired outcomes that we want.</p> <p>JD thanked OR for running the numbers as it made it much clearer for someone who's not overly close to the bilateral side of things and then thanked MOSL for the changes to the transfer read summary.</p> <p>JD then advised that previous documentation also needs to be updated to reflect the changes of the summary and noted that in document one, page 3 and page 4 need reviewing.</p> <p>JD recommended MOSL bring M01 back to PAG for further discussion.</p>
<p>4.</p>	<p>Upcoming PAG workshop(s) & AOB</p>
	<p>MR provided an overview of the upcoming PAG meetings for August.</p>