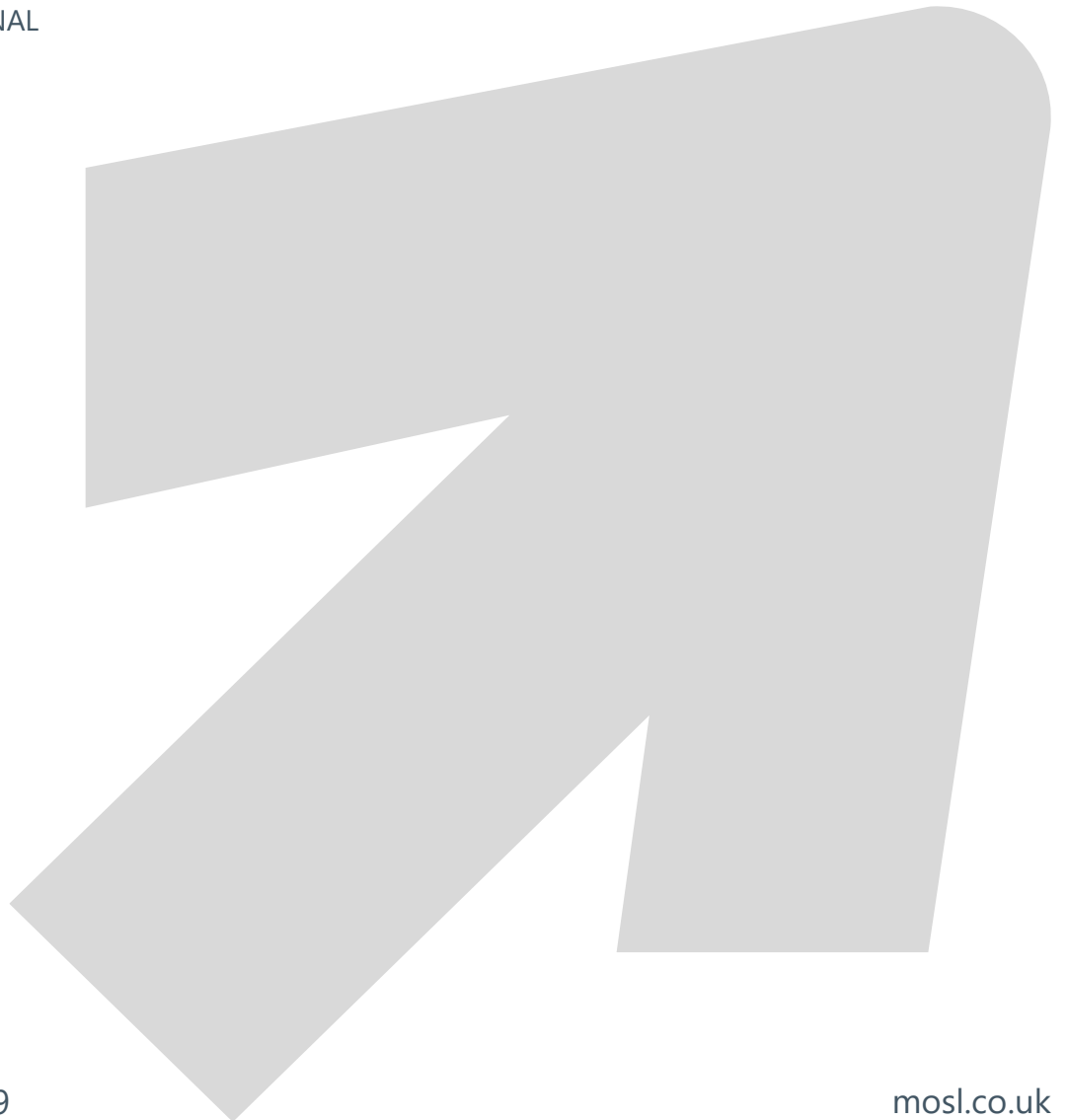


Performance Advisory Group (PAG) 49

Location: MS Teams

Date and time: 21 August 2024, 1000 - 1130

Status of minutes: FINAL



Meeting Minutes

Market attendees

Name	(Initial)	Role/Organisation	Name	(Initial)	Role/Organisation
Adam Boyns	AB	CCW	Lewis Campbell	LC	Castle (R)
Angela Brown	ABr	Northumbrian (W)	Mark Howell	MH	Water Plus (R)
Claire Stanness	CS	Wave (R)	Mark Lee	ML	Yorkshire (W)
Clare Garland	CG	United Utilities (W)	Pam Nash	PN	C&C (O)
Daniel Proctor	DP	Waterplus (R)	Paul Baker	PB	Business Stream (R)
David Moss	DMo	Castle (R)	Paul Walmsley	PW	Yorkshire (W)
Emily Jerome	EJe	Water2Business (R)	Peter Strain	PS	Castle (R)
Gerard Lyden	GL	Thames (W)	Rachael Spenser	RS	Clear Business (R)
Gillian Bladen	GB	South West (W)	Robert Hetherington	RH	Ofwat (O)
Jamie Davies	JD	Castle (R)	Sam Dawson	SD	Portsmouth (W)
Jon Fuller	JF	Wessex (W)	Shakima Fagan	SF	Everflow (R)
Jordanna Lo	JL	Business Stream (R)	Sian Forward	SFo	Northumbrian (W)
Julie-Ann Anderson	JAA	Ses (W)	Sindiso Bango-Dube	SBD	Waterscan (R)
Karen Winfield	KW	Anglian (W)	Tim Brewer	TB	Wessex (W)
Letoia Mann	LM	Clear Business (R)	Trevor Nelson	TN	Business Stream (R)
Paul Baker	PB	Business Stream (R)	Wendy Monk	WM	Wave (R)

MOSL Attendees

Name	(Initial)	Role	Name	(Initial)	Role
Miles Robinson	MR	Chair	Luke Coyle	LCo	Observer
Janet Judge	JJ	Presenter	Nichola Sampford	NS	Observer
Adam Richardson	AR	Observer	Oli Robins	OR	Observer

Evan Joanette	EJ	Observer	Sauda Dickinson	SDi	Notes
Flo Monea	FM	Observer	Simon Bennett	SB	Observer
Huw Comerford	HC	Observer	Steve Formoy	SFo	Observer
John Gilbert	JG	Observer	Subhash Marti	SM	Observer

1.	Welcome & update
	<p>MR welcomed all members to the meeting and confirmed the agenda.</p> <p>MR reminded attendees that agenda, minutes and slides are published on the MOSL website for review and questions and comments to be sent via mpfreform@mosl.co.uk.</p> <p>MR presented a reminder on the delivery phases for part C and the MPF plan.</p>
2.	M12 - Proportion of premises address data accuracy
	<p>JJ presented the agenda for the discussion on M12, as on slide 8.</p> <p>JJ presented the high-level journey for M12, as on slide 9.</p> <p>JJ presented the metric design journey, as on slide 10.</p> <p>JJ presented a reminder of the MPF principles, as on slide 11.</p> <p>JJ presented and walked through the KPI Overview for M12, as on slide 12.</p> <p>JJ presented the key question raised by M12, as on slide 13.</p> <p>JJ presented a view of the input, question and output of M12, as on slide 14.</p> <p>JJ presented the links to other KPIs and associated tools, as on slide 15.</p> <p>JJ presented the M12 influence and benefits, as on slide 16.</p> <p>GL advised to add 'stimulating market switching and the ability for retailers to try and attract customers' to the list of benefits.</p> <p>JJ presented the benefits of M12, as on slide 17.</p> <p>TN advised that retailers are still managing to do things in the 'unmatched' and that retailers have to work much harder to achieve the results shown in the 'unmatched' column and noted that it's not only about how good the verified data is but also about how hard retailers have to work to identify the correct addresses to do meter reads.</p>

TN further advised that even when results are achieved in the 'amber' or 'red' columns, it comes at a cost and effects the customer as they aren't given a discount and are unhappy with the customer service as a result.

DM questioned the cost versus benefit of the metrics and whether we're going too far in terms of monitoring third-party data and whether the cost of implementation and charging of this metric would outweigh an alternative viable solution.

DM noted that different options need to be looked at and questioned whether there would be a review of the performance and effectiveness of these metrics where a decision would be made, if the measures are not improving, to re-allocate the money into the centralised solution and having these data items removed.

AR noted that the key difference with M12 is that it is being fed by the output of data audits and advised that looking at the business case for the data assurance work, there is a positive case for M12 but agreed that, depending on data quality improvements, the business case and the cost-benefit ratio could change as we move forward.

AR further advised that Ofwat is keen for M12 to feed into BR-MeX and noted that we need to keep the piece under review.

DM advised that charges and reactions regarding whether performance is being met should be funnelled into permanent solutions and suggested that we need to review decisions and codes not taken in 2017 and assess if it fits into the current market problem.

AR advised that those points will be discussed and reviewed.

MR noted a comment from PW in the meeting chat – If MOSL are intending to centralise granular data sharing for smart metering, then perhaps that would be an opportunity to centralise this data set too.

MR asked PW to send an email with more details around this comment.

JJ presented a view on **previous consultation feedback on M12**, as on slide 18.

JJ presented an **example of the construction of the M12 metric**, as on slide 20.

GB noted that the UPRN and VOA match is successful, but that at some point, the VOA has changed and advised there needs to be some work on how to keep on top of when the government makes changes.

GB advised that, for UPRN, CMOS needs an additional reason code as 'other' does not relay the fact that it is a non-addressable and questioned that when the data sets are reviewed,

audited and the UPRN and VOA addresses amended, which impacts M11, would there be a time allowance for those adjustments and some comparison with C1s as some of these would need visits to verify what the supply is serving.

JJ advised that how M12 is presented is still being discussed and advised that supply address data is taken into consideration as there are differences in how retailers handle supply address data and advised that there will be a good practice guide, that is currently being worked on, that will help with dealing with that data.

JF questioned the readiness of this KPI as there are still many outstanding questions around M12 and advised that there needs to be assurance that we don't unduly call out poor performance as there have been instances in the past of being marked down in year one and a review in year two realized that there should not have been a mark down.

JJ advised that there is an assurance process in place for wholesalers to challenge the data audit.

JF raised concerns that if M12 is not ready, it may impact performance commitments.

JD agreed with points made by GB and JF and advised that the data cleanse project is doing good as it is a group of people with no pressure on them, in terms of large penalties and accountability, working together to come to an agreement and questioned how address data can be measured accurately, when the industry has not defined what an accurate address is.

JD further noted that technological improvements have been called out on what is needed to be able to measure this accurately and that these ideas still need to be fleshed out and advised that the accountability on the level of data accuracy is not yet there to be able to start handing out fines without due process.

JD advised that the data cleanse is improving data in the market and questioned whether we need incentives behind it or just need to measure the level of progress.

JJ advised that the incentives will be discussed at a later stage and advised that we should be looking at the impact that this metric has and measuring it.

JD advised that the data cleanse project is already measuring, reporting and making changes and updates on this data and that M12 is just adding incentives to it.

TN advised that the industry has had years to get the data right and they have not and noted an agreement with needing incentivisation around data quality, and that there should be responsible for keeping the data up to date to avoid incorrect addresses and charges and further agreed that address data needs to be defined by the industry.

JD questioned how you measure accuracy without knowing the minimum standard for a defined address.

TN there are there are opportunities presented on the slides to be able to verify it and there are reason codes and an assurance piece to allow for verification.

AR noted that there is a lot of agreement that needs to be a metric for measuring this data and that it is a continuation of the work being done through the data assurance works.

AR further advised that the question for Ofwat is whether it is appropriate to use M12 within the BR-MeX metric, and if Ofwat chooses not to use it, what that means from a MPF perspective and noted that there has been agreement that measuring this data is the right thing to do as it is generating constructive work between wholesalers and retailers to get this right and MPF can support that and noted that it would move us out of point where there is a data assurance programme and into a world where data assurance becomes part of daily operations.

GL noted that the importance of this data is recognised and advised that assurance needs to be confirmed to avoid a cycle of assurance for the same and advised that it is not different from other assurance processes and ways that quality is being assessed in the market and that are still things we need to get right over the next few months to round off this metric.

GB advised that the current assurance process is not fit for purpose as it is only once a month and only between one trading party and MOSL and not for the market and noted that there have been discussions about a CMOS transaction that would assure the address data and if that is worked through and a conclusion is reached, then it would have visibility and be fit for purpose.

MR noted that the points raised in the chat would be taken away by MOSL for discussion.

JJ presented the **M12 exclusions**, as on slide 21.

DM questioned whether infrastructure refers to development.

JJ advised the question would be taken away to the MOSL data assurance team.

DM noted a disagreement with giving a pass on multiple UPRNs at the same eligible premises as these are some of the ones that trading parties have the hardest time being able to bill customers and enforce accurate bills.

TN questions whether checks will be done on the validity of the valid reason codes as some reasons could change over time.

JJ advised that the validity of the reason codes will be picked up on the data matching and a data quality assessment would be done, and if a change is picked up through the assessment, then the result would be changed.

TN questioned whether the assurance would be permanent or need to be reviewed after some time.

JJ advised that question will be taken away by MOSL for discussion.

GB questioned where there are multiple suppliers at the same UPRN, would that create duplicate UPRNs in CMOS and whether the expectation would be to include them in as 'other' but with assurance.

GB further questioned whether the current holistic measurement could pick up the changes around UPRN.

JJ advised that question will be taken away by MOSL to confirm.

MR noted that the points raised in the chat would be taken away by MOSL for discussion.

JJ presented a view if the **calculation of M12a**, as on slide 22.

JJ presented a view if the **calculation of M12b**, as on slide 23.

JJ presented a view if the **calculation of M12c**, as on slide 24.

JJ presented a view if the **calculation of M12d**, as on slide 25.

JJ presented the **options of M12**, as on slide 26, and raised the question; **which option is more helpful; M12d to be published or M12a-d to be published.**

MR noted a comment from JF in the chat - I prefer separate approach and would suggest higher weighting towards UPRN and VOA as they reduce ambiguity in datasets (where address lines differ) whilst the address lines are still being worked

MR noted a comment from GL in the chat - Simpler to have a single metric ie. M12d, with visibility of a-c within market.

MR noted a comment from SF in the chat - one metric, but ability to see breakdown.

MR noted a comment from SD in the chat - I think M12d should be the published metric, but TPs should have visibility of M12a-M12c within the market.

	<p>TN questioned what was meant by 'published' and advised that it should be one metric to avoid confusion.</p> <p>JJ confirmed that 'published' referred to what needs to be publicly published and advised that if we choose to publish a view of M12d, we could still have visibility of M12a-c internally for trading parties to have a view of the progress against all three elements that make up M12d.</p> <p>MR noted that there seems to be more support for M12d as a single metric to be published.</p> <p>AR advised that if we are to have financial incentives under the MPF on these KPIs, we'd need to pick them off as KPIs and advised it would be up to the PAC which of these KPIs is to be published publicly and noted that we could have M12a-d all as KPIs but only publish M12d and M12a-c is used for the benefit of trading parties and if we have M12a-c as additional indicators, they would not carry financial incentives, all the financial incentive would be on M12d.</p> <p>JD noted concern for having to get an immediate decision from PAG on opinions and preferences and suggested that MOSL needs to give PAG members more time to think about the options and form an opinion and that any questions raised by MOSL should be brought back at the start of the next PAG meeting.</p> <p>MR advised that there is always an opportunity for PAG members to send MOSL an email in between meetings or raise further points in a follow-on meeting.</p> <p>JJ advised that the question will be raised again at the next PAG session.</p> <p>MR advised that all comments and suggestions will be taken away and brought back to PAG for further discussion.</p>
<p>3.</p>	<p>Consultation 4 Update</p>
	<p>MR presented the quantitative headlines for consultation 4, as on slide 28.</p> <p>MR advised that the detailed feedback will be published on the 6th of September, and the face-to-face feedback session is scheduled on the 12th of September.</p> <p>GB questioned whether there would be a dial-in option for the face-to-face Consultation feedback session.</p> <p>EJ advised that it probably would not be an option, but that it would be confirmed.</p>

4.	Upcoming PAG workshop(s) & AOB
	<p>MR presented an overview of upcoming PAG meetings.</p> <p>JD noted that there was an email from Andrew which MOSL had not yet responded to and questioned when the M01 summary document is to be expected.</p> <p>MR advised that the summary document will be out within the next week.</p> <p>NS advised that the nominations for PAC are open and that a link was shared in the chat to the nominations page on the website for anyone considering applying for a PAC role.</p> <p>EJ advised that MOSL is looking into addressing the emails received and answers to those questions.</p> <p>MR noted GLs comment in the chat requesting to have pre-reads for PAG meetings and advised that MOSL would look that.</p>