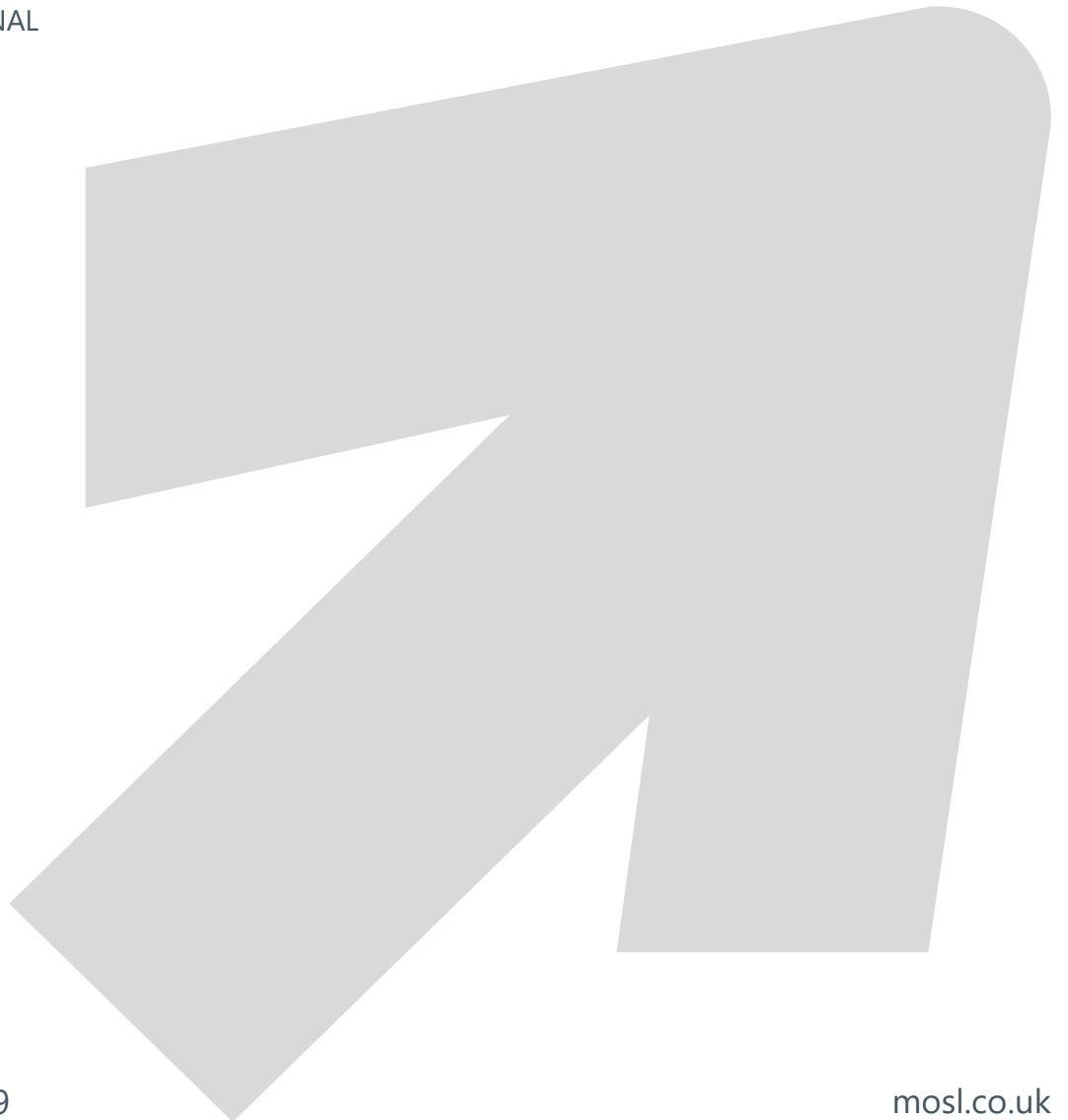


Performance Advisory Group (PAG) 82

Location: MS Teams

Date and time: 09 April 2025, 1000 - 1100

Status of minutes: FINAL



Meeting Minutes

Market attendees

Name	(Initial)	Role/Organisation	Name	(Initial)	Role/Organisation
Adam Boyns	AB	CCW (O)	Jordanna Lo	JL	Business Stream (R)
Andrea Burnett	ABu	Northumbrian (W)	Julie-Ann Anderson	JAA	SES (R)
Clare Garland	CG	United Utilities (W)	Letoia Mann	LM	Clear Business (R)
David Moss	DM	Castle (R)	Mark Howell	MH	Water Plus (R)
Edward Fiederle	EF	Wave (R)	Mary Porter-Chorley	MPC	South Staffs (W)
Gerard Lyden	GL	Thames (W)	Martin Pope	MP	Southern (W)
Gillian Bladen	GB	Southwest (W)	Pam Nash	PN	C&C (O)
Greig Jardine	GJ	Business Stream (R)	Paul Walmsley	PW	Yorkshire (W)
Harriet Chappell	HC	Yorkshire (W)	Peter Strain	PS	Castle (R)
Jacob Head	JH	Water2Business (R)	Robert Hetherington	RH	Ofwat (O)
Jamie Davis	JD	Castle (R)	Stephanie Tucker	ST	Severn Trent (W)
Jon Fuller	JF	Wessex (W)	Tim Brewer	TB	Wessex (W)

MOSL Attendees

Name	(Initial)	Role	Name	(Initial)	Role
Miles Robinson	MR	Chair	Nichola Sampford	NS	Observer
Amanda Plumb	AP	Presenter	Oli Robins	OR	Observer
Adam Richardson	AR	Observer	Sam Webb	SW	Observer
Alex Piper	AP	Observer	Sauda Dickinson	SD	Notes
Evan Joannette	EJ	Observer	Steve Formoy	SF	Observer
Elliot Smith	ES	Observer	Janet Judge	JJ	Observer

Huw Comerford	HCo	Observer	Toby Hunt	TH	Observer
John Gilbert	JG	Observer			

1.	Welcome & update
	<p>MR welcomed all members to the meeting and confirmed the agenda. 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>
2.	Delivery Plan Update
	<p>MR presented the original MPF Programme delivery plan overview, as on slide 6. MR presented the MPF Programme progress overview, as on slide 7. MR presented the MPF delivery – current position, as on slide 8. MR presented the MPF delivery – plan criteria, as on slide 9.</p> <p>JD suggested there be further consideration to have a ‘big bang’ approach to go-live all at once in April 2026, as it would be a cleaner approach and allow for any mitigations of outputs from the shadow period, just as Consultation 5 outputs have affected the start of the shadow period.</p> <p>MR advised that there are mitigation actions in place to monitor unexpected shadow outputs, as this would be a period where trading parties can raise issues that will be addressed by the programme team. MR noted that a number of alternative options were presented to the Steering Group, including a ‘big bang’ approach with an April go-live date, but that there was a support from the Steering Group to have the new framework implemented as soon as possible.</p> <p>JD queried whether there was any concern that a similar delay experienced with Phase 1, would happen with Phase 2.</p> <p>MR advised that the Steering Group has agreed that MOSL would develop a detailed plan considering all risks and factor in enough contingency, noting that the preferred plan is yet to be confirmed with the Steering Group.</p> <p>JG confirmed that a final decision has not yet been made and acknowledged concerns raised that running two systems simultaneously can be confusing and challenging for trading parties</p>

	<p>and not that lessons learned from Phase 1 could help sharpen the requirements gathering process and reduce the time needed for phase 2.</p> <p>JD advised that while time could be saved from lessons learned, the MOSL project team will be splitting resources between monitoring Phase 1 and developing Phase 2, noting that there are benefits and safety in having a 'big bang' approach for April.</p> <p>DM advised to take consideration that are many other changes scheduled for December and that current financial year budgets have been allocated to the MPF reform, noting that trading parties should be given the opportunity to re-budget if further changes are introduced. Stating that April would be a better go-live date.</p> <p>GL queried whether the impact the delay in timelines would have on wholesalers was considered by the Steering Group, as wholesalers are still being penalised on the old MPS.</p> <p>MR advised that the impact on wholesalers was considered by the Steering Group but that further mitigation actions has not yet been discussed. MR encouraged members to send through any further feedback offline.</p>
<p>3.</p>	<p>Phase 2 Metrics Review</p>
	<p>AP presented a view of the metrics' high-level journey, as on slide 12.</p> <p>AP presented a recap of the metric types, as on slide 13.</p> <p>AP presented a recap of the KPIs, as on slide 14.</p> <p>AP presented the original Phase 2 candidates, as on slide 15</p> <p>MR highlighted that Phase 1 is a replacement of the current framework and that Phase 1 metrics are improvements to existing metrics, but that Phase two metrics would be new metrics that do not exist in the current framework. There is no intention, in the initial proposal, to have any financial incentives associated with Phase 2 metrics.</p> <p>GB advised that M16 and M17 are not valid KPIs, noting that there are many reasons for deferrals and that audits are necessary for deferrals that are incorrectly applied. average length of deferrals is not a meaningful KPI, having an API that audits can be performed on is valid but should not be published as a trading party performance.</p> <p>GL noted that the proposal presented for M07, M08, M10 and M20 was sensible given that the main performance focus has been covered off in the Phase 1 KPIs, but queried how M20 would work as an additional indicator in terms of the volumes of non-market meters.</p>

DM noted **agreement** with the **proposal for M07, M08 and M20** being **additional metrics**, but that **M10** serves a different purpose and should not necessarily be an additional metric or chargeable KPI as it **needs to be an initiative into monitoring and understanding Long Unread Meters (LUMs) as the market moves into smart metering**. Noted that Castle Water have internal opinions on how to address LUMs which could be discussed with an RWG.

AB advised that if a significant number of LUMs are being subject to B5 and C1 bilaterals, then it needs to be monitored closer, which may only be possible through having **M10 as a non-chargeable KPI** to allow this performance to get the appropriate **attention from the PAC**, as LUMs are a **key aspect** to get right **for the customer**.

MR advised that M10 was proposed to be an additional indicator as the M15 and M18 KPIs already look at the number of bilateral requests being resolved on time and how late unresolved bilaterals are.

AB advised that having **M10 as a standalone KPI** would better enable the PAC's role and mitigate the possibility of **poor performance** on outstanding bilaterals **being masked by overall good performance** on M15/M18.

GL advised that B5 and C1 bilaterals have the highest volumes, noting that performance would not be hidden by overall M15/M18 performance, and that **M10** should just enable a better understanding of what is happening around LUMs, but **not be a KPI**.

JL advised that there needs to be **a focus on LUMs** as it aligns to MOSL's strategic aims in the market and would allow a better view of behaviours and enable an approach to address the issues around LUMs.

EJ noted that M10 needs further consideration as it has two elements, LUMs and Bilaterals, and having it as a KPI may be a duplication.

DM advised that **M10** may be over compared, suggesting that it may **just need to be number of LUMs**, as the bilaterals being raised is a contentious point as there is either a back-and-forth of bilaterals or other channels are used to resolve the issue. Rather than focusing on bilaterals raised, the **focus should be on having an additional metric and process on how challenges can be resolved based on skip types**.

AR advised that it would be the responsibility of the PAC to determine which of the additional metrics and market indicators are put forward, several of which include LUMs measures and there are different lenses being put on LUMs through those additional indicators, which have been communicated as part of the Consultation. Additional indicators present an opportunity for the PAC to understanding what is driving good or bad performance.

JD noted agreement with **M07, M08, M20 and M10** being **additional metrics** rather than KPIs, noting that they would be useful for the PAC to understand that the efforts trading parties are making.

AP presented **additional metrics**, as on slide 16.

JL advised that long unread meters and how it is measured needs to be properly defined to ensure a full view of the LUMs challenges that are customer impacting, such as backdating meter installations which immediately count as LUMs.

JF advised that having the opportunity to review LUMs and skip codes would enable a review of the current 12-month threshold.

GB queried what the expected outcomes of some of the additional metrics presented was, as it may already be covered in other KPIs.

AP advised that the additional metrics will be further reviewed to recap the initial rationale and whether they are still valid metrics.

DM confirmed that M46 referred to wholesaler rejections initiated on the last day of the SLA, noting that sometimes completed service requests are rejected and vice versa and that the focus should not only be on the rejections, suggesting that an activity should be undertaken to identify outliers of different request types.

MR noted that today's objective is to ascertain whether any of the additional metrics presented should instead be a KPI and that the next step would be to later present the list of additional metrics and market indicators to confirm the initial rationale for having them and confirm validity. The final list will be reviewed by the PAC to adjust once the new framework is in place.

DM suggested that M46 could be adjusted to a positive KPI measuring timeliness of service request completion.

EJ noted that all feedback in the chat will be noted and reviewed.

AP presented **PAG suggestions for Phase 2**, as on slide 17.

JF advised that suggestion 2, would be useful as a published metric to help customers understand the wholesalers performance and average days to completion.

JD advised that suggestion 3 should be considered **in place of M09**, as M09 does not conform with the Codes. Having **a metric around transfer read estimation quality** would be a better benefit to the market and customers, whether it is a KPI or an additional metric.

AB agreed that **a metric that measures good versus bad estimation** is what is needed **instead of MO9**.

JL advised that with the changes in the economy, there will be a spike in transfers and switches by customers and it will need to become a priority to oversee the **quality of transfer reads**. Noting that it would be too early to have it as a KPI as the process need to be revised to understand how the quality would be measured.

DM advised that, looking at quality of customer impact and being able to turn around situations, we need to look at estimation quality across the board, for final reads, volumetric adjustments, business assessments and transfers. Noting that transfer read estimation quality should remain an additional metric for now, but that estimation quality needs to be reviewed on a more holistic level.

JL noted that the work on skip data aligns with the estimation quality as the quality cannot be determined without the actual skip data on the estimations.

AP presented the **proposed scope of Phase 2**, as on slide 18.

MR clarified that the initial proposal is that Phase 2 metrics will not have any financial incentives applied to them, but that they have the capability to have incentives in the future.

GL queried why M13 would be a KPI considering that the performance against the long-term vacant measure in holistic reporting is very high. May have better value being an additional indicator.

DM advised that there would need to be consideration around how M13 is measured as there are many reasons for vacancies, from temporary vacancies to derelict premises. Suggesting that it should not yet be a performance measure as there are other data items, such as UPRNs and UPRN assurance going into CMOS, that would help inform and capture vacancies.

JD queried how customer name data completeness and accuracy will be measured on M11, noted that there have been previous complications with vacant premises and trying to measure customer name data. Queried how M14 will be accurately measured and how GIS coordinates will be validated. **M16 and M17** are important additional metrics, but **should not be KPIs**, as there are many valid reasons why a bilateral could be deferred.

JF agreed that **M16 and M17 should not be KPIs** and that **M13** should fall under the **data assurance work** with UPRNs. GIS coordinates with M14 do not favour rural wholesalers with multiple supply points and meters in office blocks are flagged as they are all plotted at the same location.

	<p>JL advised that M11 is more a data assurance point and should be picked up on the holistic point. M13 is dependent on what the definition of unassured long-term vacant premises. There is a benefit to having M14, but that there needs to be consideration around how it is measured.</p> <p>AB advised that while having M16 and M17 as KPIs would provide prominence, there are valid reasons for deferrals and work is already being done through audits to establish appropriate use. A potential future code change could come out of having visibility of deferrals through an additional metric.</p> <p>GL noted previous BR-Mex workshop discussions advising that M14 would not be suitable as a performance measure as the degree of customer impact was not established and performance against M14 was too high. Therefore, M14 should not be a KPI.</p> <p>GL advised that there is a market interest in deferrals but that it is not really a performance area, it may just need to be a market indicator to allow a view of different deferral codes and determine good practice and improvements. M16 and M17 are not performance measures as deferrals are allowed in the Code.</p> <p>DM advised that M16 and M17 should not be an additional metrics or KPIs as there are many factors to consider with deferrals, and should instead be a market indicator that could be audited to identify outliers</p> <p>JL advised that there needs to be consideration around deferrals to avoid trading party behavioural issues that would affect the customer.</p> <p>MR advised that MOSL would digest the feedback received from the PAG alongside the initial rationale for the metrics and will further advise.</p> <p>JD advised that the key point with the metrics should be the question around whether we can measure the quality.</p>
<p>4.</p>	<p>Upcoming PAG workshop(s) & AOB</p>
	<p>MR provided an overview of the upcoming workshops and Consultation 5 key dates.</p> <p>GB requested the next PAG meeting timeslot be amended to accommodate members attending the Market System Resilience workshop.</p> <p>MR closed the meeting.</p>

