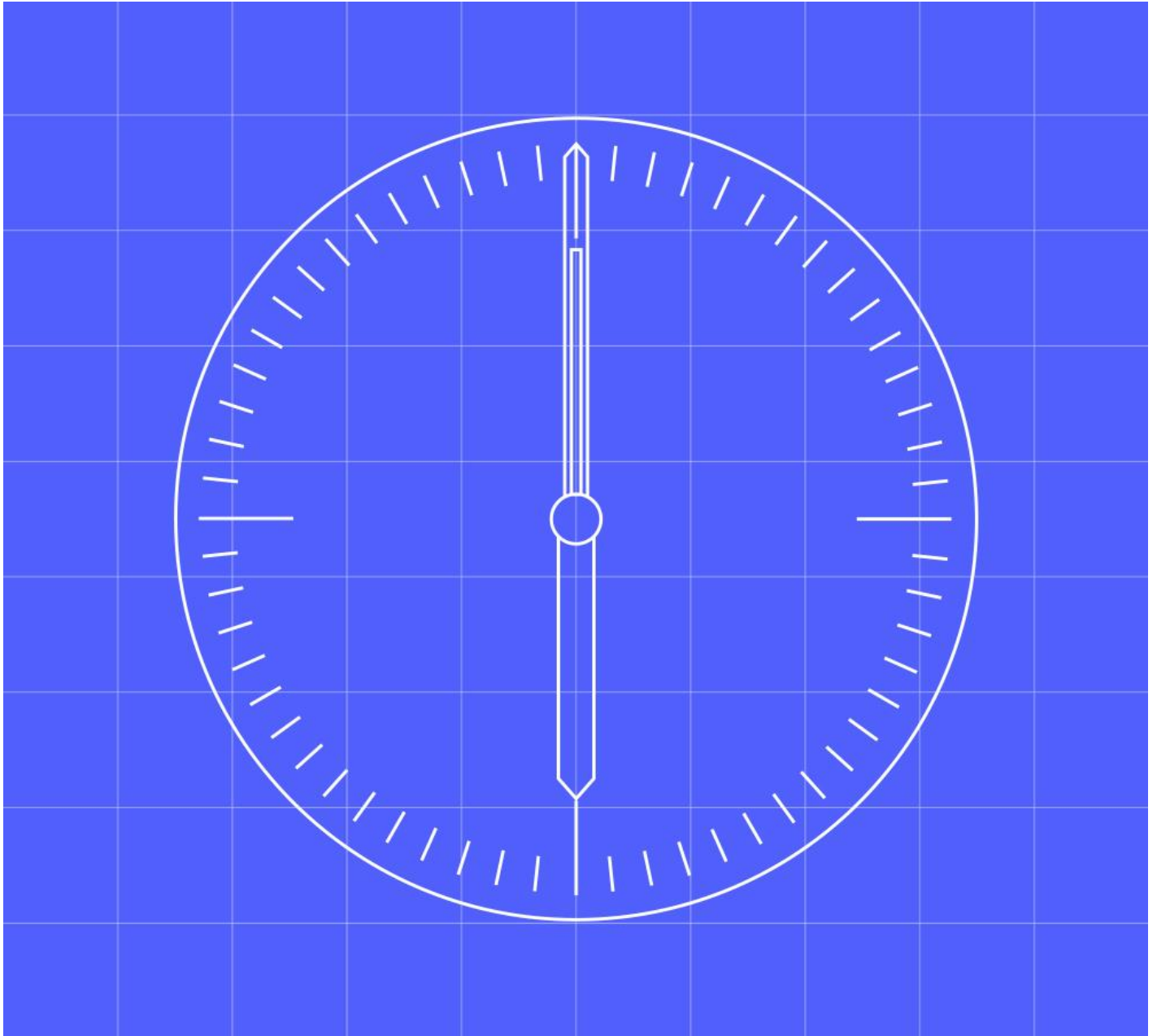


Programme Governance Framework – Consultation Response



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1.1 Change Record

Date	Author	Version	Change Detail
23/09/2021	Andrew Margan	0.1	Initial Draft
30/03/2021	Andrew Margan	1.0	Final Draft

1.2 Reviewers

Reviewer	Role

2 Summary

The MHHS Programme Governance Framework Consultation received 16 responses from Industry. We are pleased the responses were from broad sections of Programme Participants and the energy industry. Thank you to everyone who was involved in the responses, as we have found the responses very helpful. The following sections provides a brief summary of the responses and our comments to them.

2.1 Key Points

- In general, the governance objectives and framework were accepted by all.
- Clarity on the decision making criteria and consultation timescales was requested. Decision making criteria is likely to be linked to the governance levels (Level 1, 2 and 3) and to Programme milestones (Level 1, 2 and 3), although this detail will need to be agreed with the programme Lead Delivery Partner (LDP) and proposed to industry in due course.
- The constituency representatives for Level 2 and Level 3 meetings remains as proposed, with the exception of NGESO, who requested being added to PSG and other Level 3 groups, which aligns with Ofgem's P423 Implementation and Governance Framework
- All responses requested Level 4 working group meetings be open to all, which we will support, except for subjects such as security. Further information on Level 4 working groups is due to be published in October.
- Suppliers, Supplier Agents and Networks requested being able to attend CCAG meetings, so their constituencies have been included.
- We asked if Implementation issues should be discussed at PSG or if a separate IAG meeting was required. Responses were split. Therefore, our proposal is for PSG to meet initially with Implementation as an agenda item. PSG will own Implementation until such time they decide a separate IAG meeting may be required.
- Responses were split over how Supplier Agents category should be defined. We have therefore aligned the Supplier Agent criteria to Ofgem's P423 'independent of supplier in-house' criteria.
- Some parties welcomed the support with a nominations election process and others said it was not required. If required, we will support an election process. This will be determined following the deadline date of 30 September 2021 for all nominations.
- Most parties supported the 5 and 10 working day meeting communication criteria, which we will take forward.
- We will also take forward a single change control process, which will developed with our Lead Delivery Partner (LDP) and Programme Participants.

3 Consultation Questions and MHHS Programme's Response

1) Do you support the proposed MHHS Governance Framework objectives as set out in 3.4?

The governance objectives were widely accepted, although many parties suggested they should be measurable. For example how effective communication will be measured. The Programme will work with the LDP to establish appropriate KPI's, which will be submitted to PSG for approval.

2) What are your views on the proposed governance structure, including decision levels, decision groups and workgroups in sections 3.5 & 3.6?

The proposed governance framework and the structure were accepted in principle. Some parties would welcome further clarity regarding decision making criteria, the delegation and escalation criteria. This clarity this will be developed with the LDP, which will likely be consulted upon and submitted to PSG for approval.

One party raised a concern there are no proposed consumer impact or consequential change forums. The detail of Level 4 working groups is due to be published in October. We acknowledge the programme will cause consumer

impacts and consequential change. The plan is for these subjects to be discussed at a Level 4 working group, although the terms of reference will need to be agreed with participants.

We welcome any additional thoughts from parties on additional areas the Programme needs to cover. The process for Participants is to contact the SRO mailbox, raise questions with their constituency representative for discussion at the appropriate Programme meeting e.g. PSG and/or participants will be able to raise change requests.

3) Do you agree that PSG and the Implementation Advisory Group (IAG) should be separate or would it be better if the IAG role is part of PSG?

Some parties would welcome the PSG and IAG meetings to be separate. On this subject the MHHS Programme is aware that the Faster Switching Programme has two separate meetings and that many of the PSG and Implementation constituency representatives are the same people and the feedback received is that much of the agenda is repeated. We are keen to avoid unnecessary duplication. We believe there are three options for this programme:

A) Decouple Option - PSG and IAG meet two weeks apart on a rolling monthly cycle.

B) Merge Option - PSG is the primary monthly meeting, with Implementation as a standing agenda item at this forum.

C) Transition Option - PSG meets every two weeks, with Implementation as a standing agenda item, until Implementation warrants its own meeting (and then transitions to Option A).

The Programme's preference is for Option C as this allows for the most flexibility and enables PSG to retain control.

4) Are the proposed constituency representatives at Level 2 and Level 3 correct?

Most responses proposed no change to the proposed constituency representative roles. NGESO requested representation at the Level 2 and Level 3 meetings. We have therefore added NGESO to the Level 2 and Level 3 meetings, which aligns with overarching BSC Governance Framework.

(Please see response 9 for constituency representation changes for the Level 3 CCAG meetings).

5) For your constituency group, would you support the MHHS Programme running a constituency member nomination and election process for all Level 2 and Level 3 meetings?

Some responses said they would welcome an election process. Other responses said this was not necessary for their constituency. If required, the MHHS Programme will run an election process. This will be determined following the nominations response deadline of 30 September 2021.

6) Do you agree with attendee requirements as set out in section 3.11?

Responses broadly supported the proposed attendees. Some parties requested further clarity regarding the lower level (Level 4) working groups. The Programme plans to issue separate information addressing the clarity in October. One party requested that all Level 2 and Level 3 meetings must have 100% constituency representation to be quorate. The Programme does not support the requirement for 100% attendance for quoracy. It is the responsibility of the constituency representative to attend meetings or organise an alternate. Otherwise critical decision making and the Programme could be held up by nominated representatives accidentally or deliberately not attending meetings. Minimum attendance for the meeting quoracy will be developed by the Level 2 and Level 3 groups and be documented in the Terms of Reference.

7) Do you agree level 4 groups should be open for all parties to nominate members who have the relevant expertise?

Responses supported Level 4 work groups being open to all, although some parties raised a concern regarding how the Programme manages large meetings or how suitably qualified representatives attend. The Programme will make sure every Level 4 meeting is open to all Programme Participants, unless there is a need for closed meetings, such as the Security Working Group. If it's identified that the correct expertise is not attending meetings, the SRO Function will

formally engage with industry parties to raise awareness and seek support. Attendees to Level 4 working groups need to be experts in the relevant subject matter and attend on a regular basis.

8) Specifically for Supplier Agents, should this constituency category be split into two sub-constituency groups and if so what would be the best way to divide them?

This question has been superseded by Ofgem's P423 BSC Implementation and Governance Framework, which defines at least one of the Supplier Agent representatives as Independent of 'in-house' supplier businesses. The MHHS Programme Governance Framework has been amended to align with the overarching BSC Implementation and Governance Framework.

9) Specifically for the CCAG, should the constituency representatives include the Code Bodies only or should it also include other programme participant representatives?

Most Supplier, Supplier Agents and Network responses favoured their respective constituency representation being at CCAG, with one party requesting both a domestic and non-domestic Supplier representative. The constituency roles have been updated to reflect the changes and aligns to Ofgem's P423 BSC Governance Framework.

10) What are your views regarding how decisions should be delegated or escalated?

Most responses supported the principle of delegation of responsibilities from the parent governance group to a lower group and escalations from the child group to the parent group. Many respondents would welcome further clarity regarding decision making criteria, which we will develop in partnership with the LDP, consult with industry and take to PSG for approval.

(See question 11 for more information).

11) When the Programme Plan is fully developed it is likely to contain Level 1, 2 and 3 milestones. How should milestones be linked to the proposed governance framework?

Some responses referenced the Faster Switching Programme arrangements, whereby plan milestones and decision authority is linked. Most responses support Level 1 milestones being managed by PSG and Level 3 milestones delegated to lower level groups. The MHHS Programme is broadly supportive of this approach, which we will develop with the LDP and industry.

Please note: All Programme decision making will be subject to the Ofgem threshold criteria, with those subject areas crossing the threshold being escalated by the SRO or IPA to Ofgem. We will work with the LDP to formalise the process and how to best align the governance decision making process with the Programme milestones. These proposed changes will be subject to Programme Participant review and engagement before being taken to Ofgem/PSG for approval.

12) Are the proposed 5 working days and 10 working days timescales appropriate?

Most responses supported the proposed meeting paper timescales on meeting papers being issued 5 days before a meeting and 10 days after a meeting. Some responses wanted longer pre-meeting notice periods and shorter post meeting notice periods. The MHHS Programme will keep the timescales as proposed, although they will be subject to review. For example we are keen to issue post meeting papers 5 days after a meeting.

One suggestion was for a short bulleted 'key meeting update communication' to be sent on the day of a meeting. We believe this short timely update would be useful to everyone and adds value. We will seek to develop this key meeting update communication solution with the LDP.

Consultation timelines are currently undefined. Some responses welcomed consultation timelines to be aligned with the proposed meeting paper dates. We will work with the LDP to establish a consultation process and timelines, which will be taken to PSG for approval.

13) Should all changes follow the same change control process or should there be different routes depending on the impact?

Regarding the Programme change control process, responses were split between a single or multiple change control processes. Working with the LDP, we will develop a single change control process, unless it can be demonstrated why multiple changes control processes are required.