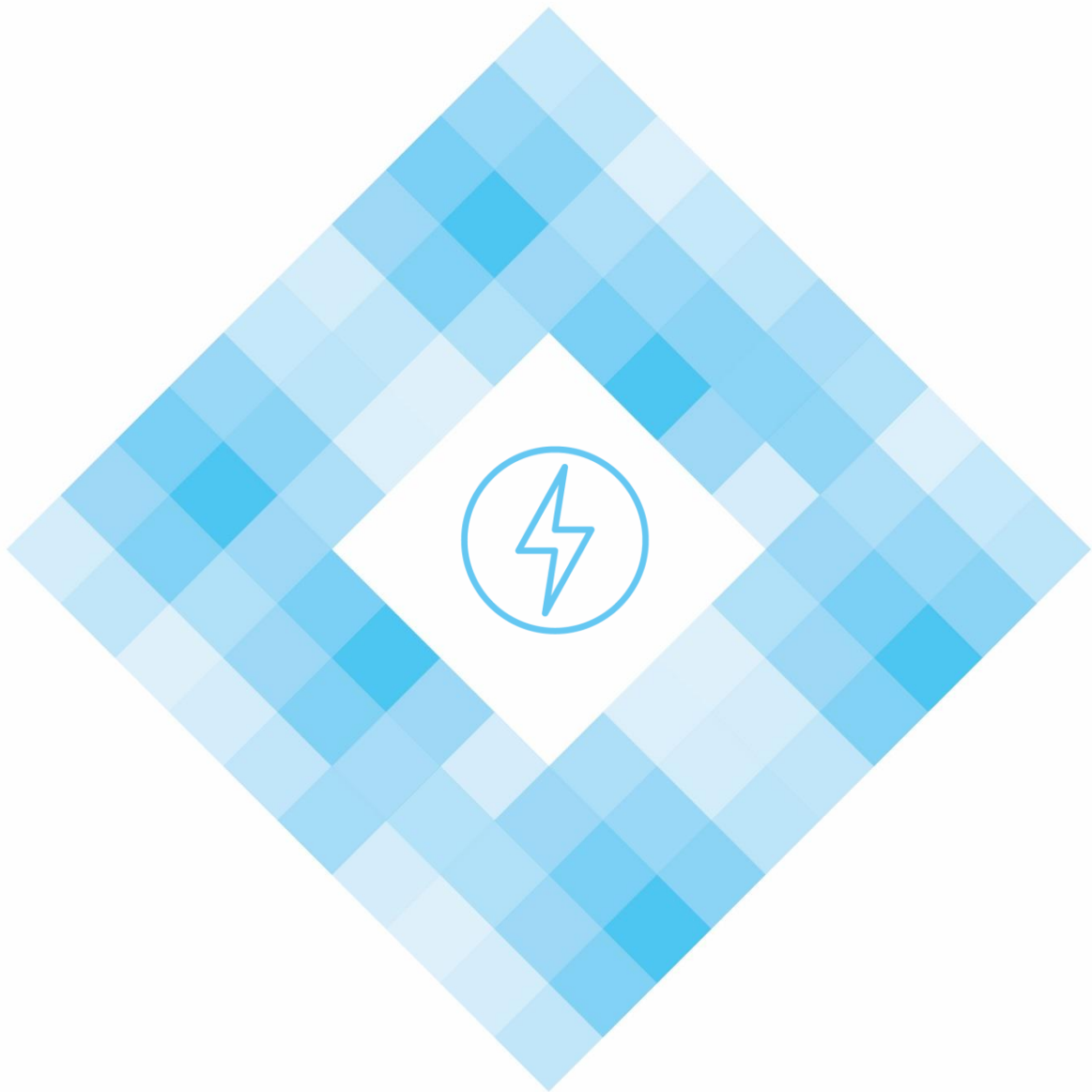


Performance Assurance Framework Administrator (PAFA) Annual Review 2020: Report

November 2020

V1.0





Contents

Contents	2
Change History	3
Document Controls.....	Error! Bookmark not defined.
PAFA annual review report 2019/20	4
1. The Performance Assurance Framework Arrangements.....	5
2. The PAFA in its role as administrator of the arrangements.....	6
3. The PAC in its role as manager of the Performance Assurance Framework	8
4. The CDSP for the provision of information.....	9
5. Additional comments.....	10



CHANGE HISTORY

Version	Status	Issue Date	Author	Comments
0.1	Draft	11/11/20	Shelley Rouse	
0.2	Draft	03/12/20	Anne Jackson	
1.0	FINAL	03/12/20	Shelley Rouse	



PAFA annual review report 2019/20

EXECUTIVE SUMMARY

In September 2020, the Performance Assurance Framework Administrator (PAFA), provided an overview of the work undertaken by the Performance Assurance Committee (PAC) supported by the PAFA and the Central Data Service Provider (CDSP) for the operation of the UNC Gas Performance Assurance regime between the period of 1st July 2019 to 30th June 2020.

The annual review provided a summary of the work of the PAC, the current Performance Assurance Report Register (PARR), performance assurance techniques and performance improvements seen over the review year.

As part of the overview, PAFA requested feedback from the wider industry on the activities and success of:

1. the Performance Assurance Framework (PAF) arrangements;
2. the PAFA in its role as administrator of the arrangements;
3. the PAC in its role as managers of the Performance Assurance Framework; and
4. the CDSP for the provision of information

This report provides a summary of the one response received and a PAFA/CDSP response where appropriate.

The Performance Assurance Framework Administrator – Annual Review 2020 document, can be found at:

<https://www.gasgovernance.co.uk/index.php/PAC>



1. THE PERFORMANCE ASSURANCE FRAMEWORK ARRANGEMENTS

The performance assurance framework arrangements are contained within the Performance Assurance Framework Document.

The current Performance Assurance Framework (PAF) document can be found:

<https://www.gasgovernance.co.uk/index.php/PAC>

The PAF contains the following objectives:

- To determine the appropriate reporting and analysis to measure energy settlement performance and risks to it;
- To create a risk register and supporting analysis to assess risks and determine mitigation activities for energy settlement performance;
- To report as necessary; and
- To create a regime incentivising the required performance if necessary, by proposing modifications to the UNC.

One comment was received in relation to the performance assurance arrangements

The comment and response or proposed solution are below:

Consultation Comment	Solution
Not yet sufficient awareness by Shippers of their UNC obligations and whether they are meeting them	Currently all PARR reports contain detail of the relevant UNC obligation to which the report applies. PAFA will continue to raise awareness of the Huddle platform and the PARR reporting suite. PAFA and the PAC will also continue to work with the CDSP and the Customer Advocate team to increase awareness of UNC obligations and where Shippers can access other details of their performance data. To increase industry awareness, PAFA are also planning a series of workshops to increase understanding of both the work of the PAC and the performance obligations within the UNC.



2. THE PAFA IN ITS ROLE AS ADMINISTRATOR OF THE ARRANGEMENTS

The Performance Assurance Framework (PAF) is administered by the Performance Assurance Framework Administrator (PAFA).

PAFA responsibilities include:

- Monitoring of the PARR reports;
- Advising PAC of areas for performance improvement and the application of the appropriate improvement techniques
- Provision and administration of the Huddle platform

Four comments were received in relation to PAFA in its role as administrator of the arrangements.

The comments and response or proposed solution are below:

Consultation Comment	PAFA/PAC response
<p>The framework currently only allows for one Huddle licence per Shipper organisation which is problematic when the contact is out of the office.</p>	<p>In May 2020, PAFA undertook a review of use of the Huddle platform, this identified a number of ‘dormant’ licences as well as highlighting that there was a requirement for some Shipper organisations to have more than one licence available to them. As part of the one year PAFA contract renewal (from July 2020), additional Huddle licences have been made available and can be granted to Shippers on request.</p>
<p>Lack of engagement from PAFA and CAMS when it comes to poor performance and how to address issues</p>	<p>PAFA and the CDSP customer advocates (CAMs) meet every two weeks to discuss industry performance issues and specific issues raised by those Shippers subject to performance improvement plans. Information is shared between parties and informs the updates given to the PAC at committee meetings.</p>
<p>More engagement could be made by CAMS to understand/identify the root cause of poor performance and set clear goals on what is achievable resolution before an action plan is required</p>	<p><u>PAFA response:</u> PAFA meets with the Xoserve Customer Advocate Managers (CAMs) twice a month to discuss Shippers who are subject to Performance Assurance Techniques, and the CAMs’ insights are included in PAFA’s updates to PAC. Shippers are also offered assistance by both the CAMs and PAFA in all performance assurance communications.</p>



CDSP response: Xoserve has recently created a Performance Engagement team to add focus to areas where Shipper performance could be improved, and this team is engaging pro-actively on topics like meter by-passes and on sites which are very overdue for a meter reading. The new team will be able to target extra support to customers and will bring feedback to PAC on progress and any key barriers to improvement.

There are instances where Shippers are highlighting issues to the CDSP regarding impacts to performance for them to highlight to PAC

In response to the PACs request for PAFA to advocate for them at industry meetings when appropriate, PAFA will be working to encourage Shippers to highlight performance issues directly to the PAC, confidentially via the PAFA. PAFA and CDSP also meet every 2 weeks to discuss industry developments, so will incorporate a feedback discussion into these sessions



3. THE PAC IN ITS ROLE AS MANAGER OF THE PERFORMANCE ASSURANCE FRAMEWORK

The PAC guided by the PAFA, monitor Shipper Performance against the PARR and the risks recorded by the risk register. The PAC may then determine whether to take performance improvement action against those Shippers that are performing to a standard lower than what is expected.

One comment was received in relation to PAC in its role as manager of the performance assurance framework. The comments and response or proposed solution are below:

Consultation Comment	PAFA/PAC response
PAC in its role as manager monitors Shipper performance against the Performance Assurance Reports Register (PARR). We don't believe the current sanctions are necessarily enough to encourage increase performance.	The PAC and PAFA acknowledge that there are limitations with the current arrangements. PAFA and the PAC have been working with the proposer of UNC modification 0674 which if implemented will allow the PAC more autonomy and the ability to apply a range of performance improvement techniques and also oblige parties to comply. PAC will also have the ability, under certain circumstances, to raise modifications in the UNC, which will potentially enable the development of stronger sanctions should they be deemed necessary.



4. THE CDSP FOR THE PROVISION OF INFORMATION

Xoserve in its role as Central Data Service Provider (CDSP), provide the PARR reports and additional data requests to the PAFA. PAFA use the reports and data to undertake industry performance analysis which is then used to make performance improvement recommendations to the PAC

Two comments were received in relation to CDSP for the provision of information.

The comments and response or proposed solution are below:

Consultation Comment	PAFA/PAC response
<p>There has been some great work completed by the CDSP with regards to the Data Discovery Platform to date, providing a wide range of dashboards to manage business processes. Each dashboard focuses on sites that are within your businesses portfolio and providing valuable insight into various metrics that allows the user to analyse and drill down on the data.</p>	<p><i>CDSP response: We are pleased that the Data Discovery Platform (DDP) is providing valuable insights, and also that the training sessions for each new “drop” of functionality are proving useful to our customers.</i></p>
<p>The data is not always trusted and a comparison of the data is required to ensure the data in DDP matches our own portfolio view. An example of this is when Read Performance was included in the dashboard there was a substantial difference of what was being reported in DDP compared to our own portfolio. As more data is being updated into the data discovery platform it is paramount that additional checks are in place to ensure the data matches a Shippers current view to try and eliminate these data discrepancies.</p>	<p><i>CDSP response: We want all our data outputs to be trusted and “right first time”. We have worked hard whilst developing DDP reports to make sure that they match the specification of the Performance Assurance Reports, so that performance is measured correctly. In some cases this highlighted that previous reports weren’t correct. We are now working to bring any other reports, such as the Shipper Pack, into line with DDP, and where possible to make DDP the sole location, to ensure that there is a single source of the truth.</i></p>

5. ADDITIONAL COMMENTS

Consultation comment	PAFA/PAC response
<p>COVID 19 has changed the way the Industry is currently working today, impact of entering properties, changes in consumers consumption, UK Government restrictions and the result of Urgent Modifications. Are the current performance measures appropriate and fit for purpose given the current issues the Industry are facing as a result of the pandemic i.e. Read Performance PC3 is currently 90% is this still an achievable performance measure.</p>	<p>PAFA have been providing regular updates to the PAC on the impact of Covid-19 on the wider industry. PAFA have also been monitoring the impact of urgent UNC modifications (0722 – Allow Users to submit Estimated Meter Reading during COVID-19 and 0723 – Use of the Isolation Flag to identify sites with abnormal load reduction during COVID-19) on industry performance.</p> <p>Any Shipper that is being contacted during this time is being asked to advise if the pandemic is directly impacting performance, so that intelligence can be collated as evidence for change.</p> <p>Whilst, to date, the PARR reporting is not demonstrating a negative change in read performance, PAC will continue to monitor the industry in this area.</p> <p>PAC do not currently have the ability to propose change to the arrangements (i.e. raise UNC modification proposals), but are able (via the PAFA) to support UNC modification development should they believe it beneficial and would be happy to work with any Code party considering raising a change.</p>
<p>While the primary focus of the PAC for the coming year will be improving meter read performance across all product classes, they should also increase scrutiny of the impact on UIG of other material risk register items (such as incorrect correction factors, open bypass valves, consumption adjustments). This presents a good opportunity for wider engagement with the Industry and workshops/educational sessions to understand the impacts the Industry are facing as a result of ongoing issues and issues caused by the pandemic.</p>	<p>PAFA are currently working on a number of improvements that will increase analysis of other performance areas. We have recently undergone a full review of the risks on the risk register, to consider their continued appropriateness, the PAC risk model is being redesigned to enable a value to be calculated for these risks which will then be used to prioritise areas for performance improvement targeting. The PAC sub-group has also begun to investigate risks in more detail, which includes analysing (anonymised) data outside of the PARR report suite alongside existing reporting.</p>



To find out more please contact:

Shelley Rouse

T: 020 7090 1001

E: PAFA@gemserv.com

W: www.gemserv.com

London Office:

8 Fenchurch Place

London

EC3M 4AJ

Company Reg. No: 4419878

