

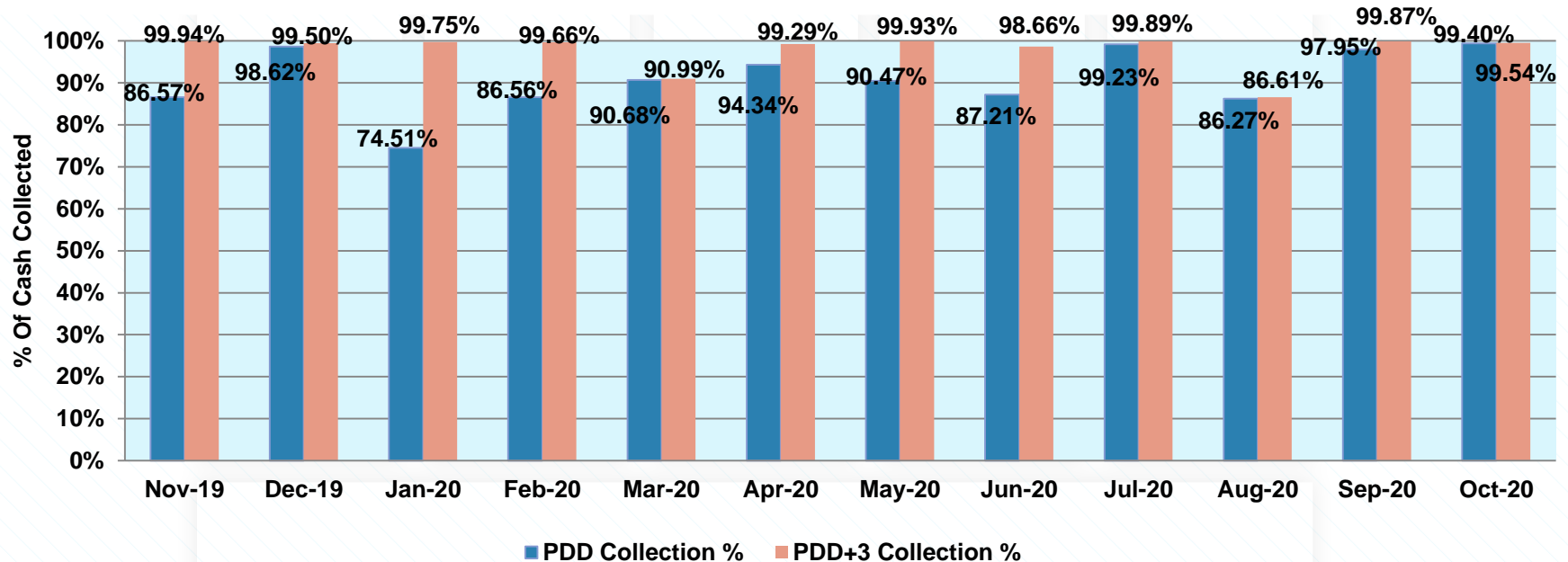


**DSC Credit Committee Operational Stats
November 2020**

DSC Credit Committee Scorecard – Quarterly Meeting November 2020

| Subject Areas | Areas to cover | Quarterly RAG |
|---|---|---|
|  <p>Cash Collection</p> | <ul style="list-style-type: none"> Percentage of Cash Collected by Payment Due Date Percentage of Cash Collected by Payment Due Date +3 | <ul style="list-style-type: none"> Good collection rates for August, September and October at PDD. Achieved 100% collection for General Services in October. No concern in terms of customers ability to pay as a result of Covid-19 |

Monthly Breakdown of Cash Collected






Cash Collection

| Month | Invoices Due for Collection | Payment Due Date | Payment Due Date +3 | Comments |
|-----------|-----------------------------|------------------|---------------------|---|
| August | £7,435,162.84 | 86.27% | 86.61% | 1 large value General Services invoice paid late and settled on PDD+5 following communications with the customer. |
| September | £8,429,477.47 | 97.95% | 99.87% | 8 General Services invoices paid late alongside Specific Services invoices not settled on PDD. |
| October | £8,620,880.02 | 99.40% | 99.54% | 100% collection for General Services on PDD. 16 Specific Services invoices not settled on PDD. |

Failure to Pay Notices Issued

| Month | Failure to Pay Notices Issued | Value | Comments |
|-----------|-------------------------------|---------------|--|
| August | 12 | £1,137,516.51 | 2 x General Services 10 x Specific/Third Party Services |
| September | 26 | £348,728.03 | 8 General Services 18 Specific/Third Party Services |
| October | 16 | £3,064.87 | 16 Specific/Third Party Services |

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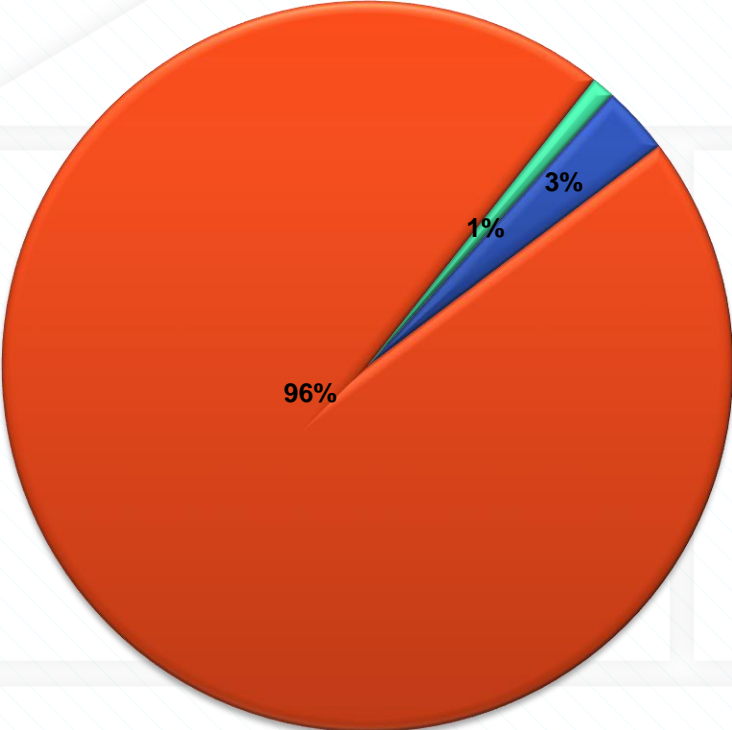
| Subject Areas | Areas to cover | Quarterly RAG |
|---|---|---|
|  <p>Security</p> | <ul style="list-style-type: none">• Credit Agency Updates | <ul style="list-style-type: none">• No significant downgrades to report or companies moving to a high risk category requiring action to be taken.• 3% of customers now have security in place in the form of Letter of Credit or Parent Company Guarantee. 96% have a published credit rating with Experian or Graydons. 1% on immediate payment terms.• All customers who had a rating with D&B have now been moved to Experian, Graydons or accepted security arrangements. |
|  <p>Debt</p> | <ul style="list-style-type: none">• Failed Users• Debt | <ul style="list-style-type: none">• 22 Users who have failed (3 x Shipper, 19 x Supplier)• £103,569.48 of debt recorded. Debt over £1k pursued through administrators• As agreed by DSC Committee on 17th August 2020 all debts under £1k have been requested to be written off. |
|  <p>Escalations</p> | <ul style="list-style-type: none">• Escalations to Committee | <ul style="list-style-type: none">• No Escalations to committee |

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| Subject Areas | Areas to cover | Quarterly RAG |
|--|--|---|
|  Invoicing | <ul style="list-style-type: none">• Invoicing Issues• Late Paid Interest | <ul style="list-style-type: none">• No invoicing issues reported during this quarter.• Total of £4,916.69 in Late Paid Interest charges invoiced in August, September and October.• Continue to engage with customers about invoice due dates to encourage payments. |
|  Outlook | <ul style="list-style-type: none">• Focus Areas for next quarter• Modifications Updates | <ul style="list-style-type: none">• Continue early engagement with customers leading up to payment due date.• Continue to monitor closely organisation's using Credit Agency alerts/reporting• Team initiatives – Direct Debit implementation and reviewing security processes. |

Exposure

DSC / UUA / Third Party Customers



■ Secured - Exposure underwritten by a third party ie. LOC/PCG

■ Unsecured - Supported by a Published Credit Rating

■ Unsecured - Payments Upfront and revised payment term

D&B Credit Agency

- Ceased using D&B in November 2020.
- All customers who held a credit rating with D&B were credit scored against Experian and Graydon's.
- Those customers that did not meet the required rating were requested to place alternative security in the form of a Letter of Credit or Parent Cover Guarantee.
- During this process we had requests to lodge a cash deposit as an alternative to a Letter of Credit or Parent Cover Guarantee.
- Currently there is no provision to do this so those customers, 2 in total, who were unable to provide a Letter of Credit or Parent Cover Guarantee have been placed on immediate payment terms.

Direct Debit Update

- Communication sent to all DSC customers to ask their interest in having Direct Debit as a method of payment for invoices.
- 38 customers responded with an interest in settling DSC invoices.
- Application is taking longer than first realised due to arranging wet signatures from Xoserve's Board Directors.
- Xoserve have passed the credit rating with Barclays Bank who have approved the Direct Debit sanction at their side.
- Aiming to complete the process by the end of 2020.