

UNC DSC Credit Committee Minutes
Tuesday 21 May 2024
via Microsoft Teams

Attendees (Non-Voting)		
Helen Cuin (Chair)	(HCu)	Joint Office
Helen Bennett (Secretary)	(HB)	Joint Office
CDSP Credit Representatives (Non-Voting)		
Claire Jamieson	(CJ)	Xoserve
Sharon Bright	(SB)	Xoserve
Shipper User Representatives (Voting)		
Oorlagh Chapman for James Knight	(JK)	Centrica
Laura Dawson	(LD)	E.ON
Sharon McCahey for Jane Morrison	(JM)	SSE
Transporter Representatives (Voting)		
Charlotte Gilbert	(CG)	IGT
Robyn Heaton for Elisa Trout	(RH)	Northern Gas Networks
Howard Gormley	(HG)	Cadent
Richard Loukes	(AG)	National Gas Transmission
Samuel Lyons	(SL)	Wales & West Utilities
Observe (Non-Voting)		
Tom Jenkins	(TJ)	IGT
Copies of all papers are available at: https://www.gasgovernance.co.uk/dsc-credit/210524		
DSC Credit meetings will be quorate where there are at least 3 voting members, or appointed alternates in attendance.		

1. Introduction

Helen Cuin (HCu) welcomed all representatives to the meeting.

1.1. Apologies for absence

Brendan Gill

1.2. Note of Alternates

Sharon McCahey for Jane Morrison – Shipper Representative

Oorlagh Chapman for James Knight – Shipper Representative

Robyn Heaton for Elisa Trout – Transporter Representative

1.3 Quoracy Status

The meeting was confirmed as quorate.

1.4 Approval of Minutes (21 February 2024)

The minutes of the previous meeting were approved.

1.5 Approval of Late Papers

No late papers to consider.

2. CDSP Operational Report

Sharon Bright (SB) presented the DSC Credit Committee Operational Statistics and noted good performance on payment due date and cash collection. For full details please refer to the monthly Scorecards published here: www.gasgovernance.co.uk/dsc-credit/opupdates/2024.

Cash collection:

SB reported Xoserve have seen good performance over the last quarter although there were some dips in performance seen in May, June, and July 2023. May and July due to large invoices being paid one day late and June saw a higher volume of invoices issued.

SB advised there are no concerns with any customers and their ability to pay.

Cash Collection Figures:

Month	Invoices Due for Collection	Payment Due Date	Payment Due Date +3
February	£8,534,323.46	£8,499,824.98	£8,525,612.66
March	£8,570,529.71	£8,569,026.11	£8,570,529.71
April	£8,504,235.15	£8,487,365.35	£8,504,231.55

Failure to Pay Notices Issued:

Month	Failure to Pay Notices Issued	Value
February	3	£34,214.08
March	1	£1,503.60
April	4	£16,868.90

Direct Debit Customers:

Referring to **Action 0201**: Xoserve (BG) to investigate and assess the risk associated with the DD Guarantee where a User can claim back all payments in instances of a dispute and investigate if the aggregate value at risk of DD payments can be tracked.

SB advised that Xoserve has reviewed its processes to make sure they are doing everything they can to mitigate the risk of an indemnity claim. Xoserve has liaised with Barclays who have advised that Xoserve make sure they are compliant with the Direct Debit rules.

Barclays has also advised that the most common reason for an indemnity claim is if an incorrect payment is taken, therefore, Xoserve have implemented a buddy checking system which includes the correct dates and correct values being requested.

SB advised that if an indemnity claim is raised against Xoserve, there are three members of staff within Xoserve that would receive the notification.

For awareness, going forward, SB will share the following information on the dashboard.

2024	Number of Customers Using Direct Debit	Monthly Value Collected
March	12	£36,791.42
April	11	£31,777.80
May	13	£344,171.73

This concluded the update for Action 0201 and members agreed it can be closed.

DSC Credit Committee Scorecard

Invoicing: No invoicing issues were reported during this quarter. The Total of late paid charges during the quarter was £657.06.

Escalations: No escalations to note.

Outlook: Xoserve will continue early engagement with customers leading up to their payment due date and continue communications with administrators in pursuit of debt left by failed Users.

Securities:

SB presented the Credit Ratings summary showing 88% of customers supported with credit rating.

Type of Security	Number of Customers	Percentage	Financial Value
Prepayment customers	25	7%	Payment is made before service provided
Secured with a Letter of Credit, Parent Company Guarantee or Deposit Deed	17	5%	£4,101,080
Immediate Payment Terms	0	0%	N/A

Supplier Failure CDSP Debt:

SB advised the total CDSP Supplier debt totalled £30,198.70, and insolvency practitioners to reclaim unpaid debt.

Shipper Failure CDSP Debt:

SB advised the total Shipper Failure debt totalled £452,654.79.

Debt Write-Offs:

SB reported that £16,117.20 of the CDSP debt relating to failed customers had been written off.

Debts have been written off due to final dividends being received or confirmation received that there will not be any payments received to settle or partially settle the unsecured debt.

CDSP Dividends Expected:

SB confirmed that dividends are expected in the coming months for Shippers/Suppliers. Total £519,722.78.

Stranded Meter Points

SB provided an update on the Stranded Meter Points, with an overall reduction in this area of 180 since August 2023 and a reduction from 4 to 2 Suppliers.

3. Review of Outstanding Actions

0201: Xoserve (BG) to investigate and assess the risk associated with the DD Guarantee where a User can claim back all payments in instances of a dispute and investigate if the aggregate value at risk of DD payments can be tracked.

Update: Sharon B (SB) provided an additional slide within the slide pack for Direct Debit Customers. See item 2 Direct Debit Customers (page 2) **Closed.**

4. Key Messages

None.

5. Any Other Business

Post Meeting Note:

5.1. UNC User Representatives Appointment Process

For awareness, please note that the UNC User Representative Appointment Process has commenced for Gas Year 2024/25.

The Single Point of Contact (SPoC) update window is now open, and the timetable will run as follows:



Current DSC-Credit memberships will expire on 30 September 2024. SPoCs will need to re-nominate representatives if they wish to continue with their membership.

For confirmation of the SPoCs please contact the Joint Office: Uncelections@gasgovernance.co.uk.

6. Next Steps

None advised see Diary Planning.

7. Diary Planning

DSC Credit meetings are listed at: <https://www.gasgovernance.co.uk/DSC-Credit>

All other Joint Office events are available via: <https://www.gasgovernance.co.uk/events-calendar/month>

Members agreed to a 9.30 start going forward.

Time/Date	Meeting Paper Deadline	Venue	Programme
09:30 Wednesday 21 August 2024	5pm Tuesday 13 August 2024	Microsoft Teams	Standard Agenda

09:30 Tuesday 18 November 2024	5pm Tuesday 10 November 2024	Microsoft Teams	Standard Agenda
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DSC Credit Action Table

Action Ref	Meeting Date	Minute Ref	Action	Owner	Due Date	Status Update
0201	21/02/24	2.0	Xoserve (BG) to investigate and assess the risk associated with the DD Guarantee where a User can claim back all payments in instances of a dispute and investigate if the aggregate value at risk of DD payments can be tracked	Xoserve (BG)	March 2024	Closed