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PERFORMANCE ASSURANCE BOARD OPERATING PLAN UPDATE AND FORWARD LOOK

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FOR INFORMATION	We have consolidated the forward look on the PAB's agenda with the forward look on the Performance Assurance Operating Plan. We intend on using this paper to cover any PAF updates that PAB should be informed of, invited to discuss, or asked to approve so these updates are shared within a public paper to promote transparency and also so that the Party Assurance paper can be focused on Party performance.
FOR DISCUSSION	The Code Manager has produced the draft REC Performance Assurance Report which focuses on the key Performance Assurance activities, challenges and reflections during the previous period. This report covers the period between 1 September 2023 and 31 March 2025, to align the cycle of the REC Forward Work Plan. The Code Manager invites PAB Members to: • **DISCUSS** the report and consider whether all key Performance Assurance activities during the period have been considered.

1 LOOK AHEAD ON PAOP

The table below outlines the key activities that have been planned for the next three months of the 2025 performance year. These activities are in addition to Monthly Performance Assurance activities such as Market Entry Assessment, Maintenance of Qualification, Monthly risk determinations where all Retail Risks are monitored, Specific topic monitoring on Metering updates and other Associated Operational Processes.

Key:		
		Planned activity
		Planned sub-activity
		Potential activity dependent on performance
	✓	Completed
		Activity on hold

Activity	Feb-25	Mar-25	Apr-25
A3. Gas meter data reconciliation and associated PATs			
A8. Party Annual Rating	✓		
A8.1 Annual Rating – Set out approach	✓		
D2.1b Sprint 3 – Execution	✓		
E1.2 TDIS – Theft Target Methodology consultation and publication[1]	✓		
C2.4 Assessment of the accuracy of reporting: CSS, CSS CA, SO			
A4. Smart Meter Installation Survey and associated PATs[2]	✓		
A6. Application of quarterly PATs[3]	✓		
C5.4 KPI Review for GRDS			
C2.1 Assessment of the accuracy of reporting: REC Code Manager Services (RPS and RTS)			
C2.3 Assessment of the accuracy of reporting: GES[4]			
D2.1d Sprint 3 – Post-sprint Review			
D2.2a Sprint 4 – Planning			
C3.2b REC Service PAB deep dive – GES[5]			
C6. CRS Performance Charge[6]	✓		

[1] Please refer to Performance Assurance Paper (RECPAB_25_0225_09).
[2] Please refer to Performance Assurance Paper (RECPAB_25_0225_09).
[3] Please refer to Performance Assurance Paper (RECPAB_25_0225_09).
[4] This review will be completed following the GES PAB deep dive planned for April.
[5] Information request approved by PAB has been issued to the Service Provider in January. Reporting deferred to April on Service Provider request.
[6] Please refer to CRS Performance Charge Q3 Paper (RECPAB_25_0225_04)

Activity	Feb-25	Mar-25	Apr-25
E3. Verification of TDIS Submissions (subject to agreement with RECCo)			
E1.3 TDIS – Theft Targets Published	✓		
F4. Assurance of REC transformation programmes			
J1. MTD reconciliation for electricity (subject to agreement with RECCo)			
K1. Address Quality Data Cleanse (subject to REC Change and agreement with RECCo)			
M9. REC Service User Categorisation (timelines may change to align with R0148)			
N3. Performance Assurance Engagement Sessions[7]			
M5. Data Cleanse - Active Relationship Report Guidance[8]			✓
M6. Data Cleanse Reports Guidance[9]			✓
C3.1c PAB Deep Dives: Code Manager Operational Update – Stakeholder Management	✓		
G1. Review of REC governance			
L3. Implement updated risk monitoring from the MHHS transition start[10]			

2 G1. REVIEW OF REC GOVERNANCE

We informed the PAB in January that the review of REC governance was delayed due to parallel reviews taking place by the RECCo Board (to which we have contributed) and by the Committee teams. We have completed initial work in this area and intend to update the PAB further in March 2025.

3 C3.1C PAB DEEP DIVES: CODE MANAGER OPERATIONAL UPDATE – STAKEHOLDER MANAGEMENT

The Performance Assurance team are working with RECCo and the REC Code Manager's Professional Services team to conduct this review. A report will be provided to PAB in March.

[7] Planned for 05 March 2025 and will cover a deep dive into Party Annual Rating, Theft and Data Cleanse.
[8] This document is not a part of the Data Cleanse Reports Guidance, so the activity is merged with M6.
[9] The Data Cleanse Reports Guidance was reviewed and updated in November 2024.
[10] As previously covered in RECPAB_24_1029_03, MHHS transition is not planned to start until September 2025.

4 UPDATE ON CHANGE

Following industry consultation, the Code Manager has confirmed that no amendments are required to the proposed data access. The EES DAM is therefore considered as Approved and will be implemented as part of the Release for MHHS M8 in September 2025 and will be progressed as a Category 3 Change Proposal as part of that release.[11]

5 REC PERFORMANCE ASSURANCE ANNUAL REPORT 2025 [DRAFT]

We have agreed to align the Annual Report to the Board's annual timeline, reporting in April 2025. This means that our report will cover an 18 month period between 1 September 2023 and 31 March 2025.

The scope of the Code Manager's assurance activities covers all elements of the Code, all market participant types and the REC Service Providers. The breadth of coverage can make it more challenging to identify the key messages to be shared. In line with previous periods, we therefore propose to take an iterative approach with PAB, sharing at this stage an outline of key points, and ask that PAB members consider their completeness and whether any key areas if interest are omitted. We will then develop this outline into a draft report for review and approval by PAB in March.

Within Appendix 1 we have summarised the key areas we will expand into a report. We ask that PAB members provide suggested additional areas to cover or key areas to emphasise directly to the PAB Secretary.

6 UPCOMING MEETINGS

25th March - Performance Assurance Board Meeting (In-person) 10:30-15:00

29th April - Performance Assurance Board Meeting (Online) 10:00-14:30

27th May - Performance Assurance Board Meeting (Online) 10:00-14:30

[11] For information papers provided at RECPAB_25_0225_11a; RECPAB_25_0225_11b; RECPAB_25_0225_11c

APPENDIX 1 SUMMARY OF THE PERFORMANCE ASSURANCE ANNUAL REPORT

Key themes through the year

- Running TDIS to deliver the best annual outturn in its history, with further improvements to encourage and incentivise theft investigations and reporting.
- Defining MHHS qualification. Despite the slippage in the programme, delivering an integrated qualification process alongside the BSC, a positive example of cross code working.
- Data cleanse: driving tangible improvements in industry data for the ultimate benefit of consumers.
- Taking targeted action on serious and persistent poor performance and non-compliance, using market data to identify and address these to limit the impact on consumers.
- Holding REC Service Providers to account in resolving performance issues, a critical activity that benefits market participants.

Switching

- Overview of market performance statistics, including the rates of switches, and identified risk indicators.
- Description of the nature of switches we see, including. that a significant proportion of the switches in the system relate to internal migrations, not customer interactions.
- Overview of PATs applied to date, and the reasons for them.
- Key interventions, including relating to a non-domestic supplier's objection issues), proactive management of performance issues of a rapidly growing Supplier, correcting issues with the annulment / withdrawal process and contributing to fixing the broader issue in the non-domestic sector relating to Change of Occupier processes.
- Proactive oversight of early warnings, identifying organisations with system issues causing invalid messages and intervening before these become larger issues.

Metering

- Overview of SMIS performance, the only area where we have direct information on how consumers experience REC processes.
- Overview of the common metering auditor findings, as well as projects to drive improvements in the quality of this work.
- Describing the changes as a result of Safe Isolator Providers, a new type of REC Service User. This has involved establishing risk based assessment processes for these new types of REC Service Users.
- Data analysis of MEM data, including MEM RFI, CDSP reconciliation and process fixes as well as active data cleanse activity as a result.

Energy Theft

- Countering energy theft is a key priority as it directly impacts public safety.
- Within the 23/24 scheme year the outcomes achieved have improved from previous periods.
- There have also been improvements in the data collection, reducing the workload of Suppliers, the helpdesk team and data specialists in the Code Manager.
- Including theft performance in annual rating has addressed a key issue in the design of TDIS – that organisations can "buy out". We have seen increases in engagement and therefore a reduction in safety risk as a result of this incentive.
- Changes introduced for 24/25 include a more targeted incentive pot split, with the results showing this incentive has improved performance in underperforming areas.
- Progress within 24/25 to date has been positive, with year-end numbers finalised after this report.
- Significant engagement in TIG, driving further improvements and changes lead by the assurance function.
- Future changes proposed include further adjustments to targets between pots and the introduction of incentives for investigations not leading to confirmed thefts, including linkage to ETTOS leads.
- Further engagement with RECCo theft team to help them understand how to make the best use of this data to support theft resolution.

Service Provider Performance

- Under the REC there are two Service Providers, RECCo and DCC, who both then outsource elements of these services. These are measured independently.
- Over the 18 months the overall trend has been one of improvement from these Service Providers. We attribute the implementation of Performance Charges to have a relevant role in driving this performance.
- Each month each service's performance is reviewed, with action plans put in place to address performance issues where appropriate. The PAB also has received deep-dives into the most significant services GES, EES, and CSS. In each of these cases, the deep-dive has addressed one-off performance challenges and focused on the overall improvement in service delivery.
- The PAB's interventions have included addressing issues with how changes relating to the CSS and EES are managed through to committed timelines, and responding to performance issues relating to GES.
- The PAB has also overseen Code Manager performance, including assessing the Change Management process.
- Prior to this period a major switching incident occurred, with both RECCo and DCC committing to actions to improve the service. The PAB has overseen progress on this plan and resolved blockers in delivery.

Qualification

- There continues to be high levels of demand for access to enquiry services, both through traditional entrants and through new types of access agreement.
- The PAB has overseen many types of access requests, and is implementing an open data approach, whilst considering if there are risks to the sharing of data that need to be managed.
- A critical element of the activity in this period has been defining the MHHS approach, in collaboration with the BSC, and providing guidance to affected organisations.

Managing information security risks

- The Board has delegated to the PAB responsibility for specifying REC Party, Non-Party REC Service User and REC Service Provider security and data protection requirements under the REC and determining action to take following notification of a data protection or security breach to these organisations.
- The Performance Assurance function has handled security issues relating to the impact on REC Services where REC Parties have suffered cyber-attacks.
- It also has investigated allegations relating to the use of REC data beyond the permitted use, including responding to consumer concerns about the sharing of REC data, and allegations of attempts to resell this data.
- The PAB has reviewed the information security approach for existing entrants, identifying ways of streamlining this where appropriate.

Service Improvement

- Performance Assurance activities themselves have been improved through the period. This has involved increased two-way dialog with market participants in particular. We have identified a key activity to further improve this referred to as ‘PA check ins’ which was trialled successfully and we now plan to launch this fully during the next financial year.
- Structuring data cleanse around ‘sprints’ has made it easier for organisations to engage with this process. This has improved cleanse success.
- Workshops to develop a voice of the consumer are developing a key missing element for a retail code, presenting direct opportunities to address issues causing poor consumer experience or detriment.
- We will continue to look to develop this service and improve transparency to REC Parties in particular of the work that we are doing, its outcomes and benefits to them.