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CRS PROVIDER PERFORMANCE CHARGES 2025/26

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FOR DECISION: 	The Code Manager recommends PAB to: • **APPROVE** the Performance Charges applied to the CRS Provider for the quarter ending on 30 June 2025 in line with the REC Performance Charge regime introduced from 1 April 2023 and the Performance Charges scale approved by PAB in March 2025. • **NOTE** that no exemption request was submitted by the CRS Provider for this period.

CENTRAL REGISTRATION SERVICE (CRS) PERFORMANCE CHARGES

BACKGROUND

The REC Change Proposal R0025 was implemented on 01 April 2023, establishing a Performance Charge regime to introduce an economic incentive scheme for the Central Registration Service (CRS) Provider. The introduction of R0210 which came into effect on 01 April 2025 saw an evolution of the CRS Performance Charge. R0210 was designed to incentivise performance in areas where underperformance carries a higher risk compared to other areas by applying a differential weighting.

In March 2025, the PAB (RECPAB_25_0325_04) approved the amount of maximum Performance Charge which can be applied to the CRS Provider in respect of each Quarter of the given Financial Year.

CRS PROVIDER'S REQUEST TO EXCLUDE PERFORMANCE LEVEL FAILURES

The Code Manager notified the CRS Provider on 01 July 2025 that if they intended to submit any exclusion claims for performance level failures that occurred between 01 April 2025 and 30 June 2025, they must submit the exclusion request by 28 July 2025 as per clauses 5.7 and 5.8 Annex A of REC Schedule 6 - Performance Assurance.

The CRS Provider has stated that they will not be submitting any exclusion requests for performance level failures that occurred between 01 April 2025 and 30 June 2025.

PERFORMANCE CHARGES CALCULATION FOR FY 2025/26 QUARTER 1

The Code Manager notes that the change R0210 – Evolution of the CRS Performance Charge, implemented on 28 February 2025, applies for the performance year commencing on 1 April 2025. As this quarter's assessment is from 01 April 2025 and 30 June 2025 performance, the methodology used for calculation is line with the approach approved by PAB in March 2024 for performance year 2024/25.

The Code Manager has measured the performance and calculated the Performance Charge for the period 01 January 2025 to 31 March 2025 based on information submitted by the CRS Provider as follows:

Performance Measure Groups	Relative Weighting	Number of metrics under group	Performance charge each quarter	No of Failures in Q1	Performance Charge for Current Quarter
User Support	30%	18	£14,400	4	£2,160
Service Availability	50%	7	£24,000	0	Nil
Responsiveness and BCDR	20%	16	£9,600	2	Nil
			Total Performance charge for Q1		**£2,160**

The failures recorded by the CRS Provider during the Performance Charge period fell under the User Support and Responsiveness category. Three Switching Operator metrics contributed to the four User Support failures in May 2025 and June 2025. The two Responsiveness metrics in May 2025 were only slightly below target (achieving 99.87% versus a 100% target). There was no BCDR event during the period covered, so there was no reporting on this performance.

The table below depicts the level of Performance Charge applicable based on the number of metrics where performance was below target:

	User Support			Service Availability			Responsiveness and BCDR			
	No of failures	Margin at stake	Value (£)	No of failures	Margin at stake	Value (£)	No of responsiveness failures	No of BCDR failures	Margin at stake	Value (£)
On target	0-3	0%	**£0**	0	0%	**£0**	0-2	0	0%	**£0**
Minor failure	4	4.5%	**£2,160**	n/a	n/a	**n/a**	3	n/a	3%	**£1,440**
Serious failure	n/a	9%	**£4,320**	1	15%	**£7,200**	4	n/a	6%	**£2,880**
Severe failure	5	18%	**£8,640**	2	30%	**£14,400**	5	n/a	12%	**£5,760**
Fundamental failure	6+	30%	**£14,400**	3+	50%	**£24,000**	6+	1	20%	**£9,600**

The Code Manager is reviewing the CRS Provider's evidence as part of the Direct Assurance process and will update the PAB if any significant findings necessitate adjusting this quarter's performance charges.

PAB Decision

The Code Manager requests the PAB approve a Performance Charge of £2,160 be applied to the CRS Provider for the period from 01 April 2025 until 30 June 2025.