MEETING MINUTES

MEETING	**RECPAB_26_0324**
DATE	**24 March 2026**
LOCATION	**In-person**

Attendee	Representing	Initials	Role
Jon Dixon	RECCo	JD	PAB Chair
Dorcas Batstone	Independent Member	DBa	PAB Member
Steve Arthur	Independent Member	SA	PAB Member
Steve Verdon	Independent Member	SV	PAB Member
Angela Joyce	Supplier Representative	AJo	PAB Member
Paul Everett	Supplier Representative	PE	PAB Member
David Morley	Supplier Representative	DM	PAB Alternate
Anne Jackson	UNC Representative	AJa	PAB Member
David Brown	MEM Representative	DBr	PAB Member
Fungai Madzivadondo	DNO Representative	FM	PAB Member
Shiv Singh	GT Representative	SS	PAB Member
Simon Waltho	BSC Representative	SW	PAB Member
Beth Procter	SEC Representative	BP	PAB Member
Faye Brookes Lewis	Citizens Advice Representative	FBL	PAB Member
Shelley Rouse	Code Manager	SR	Operational Account Manager
Scott McPhillimy	Ofgem	SMcP	Ofgem Representative
Anna Weeks	RECCo	AWe	Service Manager
Walter Carlton	Code Manager	WC	Performance Assurance Partner
Anton Moden	Code Manager	AMo	Performance Assurance Lead
Daniel Rodgers	Code Manager	DR	Performance Assurance Manager
Bailey Robb	Code Manager	BR	PAB Secretary
Tanya Mason-Hawes	Code Manager	TM	PAB Secretary
Mollie De Camp (*for item 1 only*)	RECCo	MDC	Senior Service Delivery Manager - CRS
Elise Handy (*for item 1 only*)	RECCo	EH	Service Delivery Manager – Enquiry Services
Joy Nnamani	RECCo	JN	Assurance Manager
Carrie Shannon (*for item 2 only*)	RECCo	CS	Project Manager
Rachel Clark	RECCo	RC	Consultant

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Attendee	Representing	Initials	Role
Kevin Redmond (*for item 2 only*)	Moorhouse	KR	Mobilisation Lead
Nicola Garland (*for items 2 to 5 only*)	Moorhouse	NG	IPAS QA & Strategic Oversight
Lewis McKenzie (*for items 2 to 6 only*)	Moorhouse	LM	IPAS Lead
Mark Loveday (*for item 2 only*)	RECCo	ML	Director of Operations
Sodiq Lawal (*for item 3 only*)	Code Manager	SL	Service Provider Assurance
Glenn Sheern (*for item 8 only*)	Code Manager	GS	Head of Regulatory Specialists
Francine Peyroux-Sissoko (*for item 8 only*)	Code Manager	FPS	Change Analyst

1. APPROVAL OF PREVIOUS MINUTES AND REVIEW OF ACTION LOG

The Chair welcomed attendees to the meeting of the PAB. Apologies were received for Paul Saker, Supplier Representative, with David Morley attending as PAB Alternate

The PAB unanimously **APPROVED** the actions and draft minutes from the PAB meeting held on 24 February 2026. PAB Members reviewed the open and overdue actions. RECCo representatives presented an update on action RECPAB_26_0224_02. Please refer to the Action Log for a full status update.

2. INTERIM PERFORMANCE ASSURANCE UPDATE

JN, CS, RC, KR, NG, LM, and ML joined the meeting.

RECCo update the PAB on the Interim Performance Assurance Solution, including the progress made so far and the next steps. RECCo introduced Rachel Clark who has led the development of the future Performance Assurance strategy and support products and presented the draft Performance Assurance Framework and Performance Assurance Operating Plan for PAB input. RECCo also introduced Moorhouse as the new Party Assurance Provider from September 2026.

A PAB Member questioned whether there had been anyone appointed to roles at this stage to help manage the handovers from the existing Service Provider. RECCo confirmed that this is one of the roles that they are currently recruiting for, the Assurance Integration Lead, and that when they appoint someone to the role, they will be the contact from the team that attends the PAB. A further PAB Member asked how they would ensure the history and knowledge gained over the years is not lost and does not

impact Parties. RECCo confirmed that the obligations would remain unchanged and that there is a dedicated workstream covering mobilisation and handovers.

A PAB Member queried what RECCo meant by improving the service for stakeholders, noting that they read the draft Performance Assurance Operating Plan and that to them, it seemed stakeholders were already far more engaged than they were previously and have been very receptive to the current service. They were interested in knowing precisely what improvements RECCo expected to make. RECCo confirmed that the service is currently in a very good place, but they want to be able to tell the story more boldly and strongly about the impact of compliance. They explained it was about being able to congratulate industry for its support and adherence to their REC obligations but to turn those into a strong and clear narratives about what they're doing for stakeholders within the energy industry, and more importantly consumers.

Another PAB Member queried the timescales for getting people into roles to allow the mobilisation and transition to commence. RECCo advised that they have interviews lined up and hope to make appointments by mid-April and then depending on notice periods, staff should be in role between June and mid-July. There will be a period of onboarding for those new employees, and they will have to get up to speed with learning the relationships and histories, as well as the context.

A Supplier Representative noted that they were pleased to see no proposed changes to the PARC as it is a busy time for the industry at the moment.

On the discussion of the draft Performance Assurance Framework and documents, a PAB Member noted their reflection on stakeholder engagement, as the PAB has recognised in the past that even the larger Parties are resource constrained and that can be much more difficult for the smaller Parties. They believe the support that the Operational Account Managers can provide to Parties is very important, and that this should be kept in mind when the team and the PAB are looking at outcomes. RECCo advised that this principle is established within the REC itself but is worth bearing in mind.

A PAB Member emphasised their concerns with regards to decision making within RECCo and in particular how the PAB is supported from a governance point of view from the RECCo board, noting a previous occasion when RECCo Board commissioned legal advice was not made available to the PAB, placing the PAB in a difficult position.

The RECCo Representative talked the PAB through the draft PAOP and encouraged PAB Members to share their views on what they think should be included going forward. The Risk Register will drive the outcome-focused approach, and both this and other key documents such as the Performance Assurance Methodology will be brought back for PAB approval in April. It was noted that the PARC wont be changed at this stage and over time, the Operational Measurement Framework (OMF) will be developed further.

A PAB Member commented that they were pleased to see the mention of the Priority Services Register (PSR) as a focus area in the draft PAOP and asked more broadly how the PAOP will drive how the PAB performs to ensure the PAB prioritises discussions and drives agendas. RECCo advised that

Moorhouse will be building a cost-benefit model to provide the analysis at a granular level of detail, and it is envisaged that this would provide ballpark cost and benefit estimates. This would allow them to build a systematic model enabling them to understand the cost of the work they intend to carry out, so that they only focus on areas that are significant to the PAB in terms of consumer outcomes. The PAB Member expressed a view that the model can only go so far to exploit an opportunity for the PAB to become more effective and to provide more value for money.

On the PSR, the PAB Chair commented that this and the safety of vulnerable consumers had to be a priority area. They reassured the PAB that they do not believe there to be any particular problem with PSR, but it was more a case understanding whether it is working properly or whether there are improvements that could be made.

A PAB Member queried the current status of the Energy Theft Investigation Unit pilot with the City of London Police. The PAB Chair updated the PAB that the pilot has concluded. However, due to the White Paper on Policing Reform, it remains unclear at this stage as to whether there would be another police force willing to take over Energy Theft Investigation Unit as a sponsored service. They believe there is a case for engaging with policymakers at Ofgem and the Home Office to provide a renewed focus on energy theft as a crime given the consequences on safety and consumers.

The PAB:

- **NOTED** the update.

CS, KR and ML left the meeting.

3. CRS PERFORMANCE CHARGE

SL joined the meeting.

The PAB considered a report from the Code Manager setting out the maximum amount of Performance Charges which can be applied to the Centralised Registration Service (CRS) Provider in respect of each Quarter of the Financial Year 2026/27 for approval of the PAB.

The Code Manager also advised the PAB that due to lower DCC internal costs than previous years, the maximum amount proposed in the paper is lower than last year. They were also advised that the DCC licence change expected to take effect in November 2026 would have an impact on calculation of the Performance Charge during 2026/27. Three options had been outlined in the paper for PAB Members to consider and take a view on.

A PAB Member queried the lower DCC costs and noted that they were unconvinced that these performance charges act as an incentive. The Code Manager agreed that the charges were not financially impactful enough to drive improvements alone but that they were set based on the allowable

margin. An important principle is that these charges shouldn't prevent them from recovering costs as this could impact the provision of the service.

The RECCo representative asked if the Code Manager had a confirmed date for when the performance charges may stop. The Code Manager advised that the date was taken from the latest Ofgem publication which indicated licence transfer would be in November 2026. The paper had been shared in draft with Ofgem in advance of the meeting for comments but none have yet been received. Any comments received will be shared with PAB Members.

The PAB Chair advised that, given lack of certainty around the date, the PAB may wish to separate out and take a vote on the maximum performance charge that can be applied, before considering the secondary matter of which option the PAB wishes to adopt between now and the licence change.

A PAB Member asked whether there was any expectation of performance dropping in the 6-8 weeks up to licence change. The Code Manager advised that they was nothing to suggest performance would change in the short term, but caveated that this was conjecture. It is anticipated that impacts arising from the licence transfer would be more medium to long term.

Another PAB Member queried what review and verification the Code Manager had done to confirm that they had managed to halve their operating costs. The Code Manager advised that the review and verification of DCC costs is the responsibility of the RECCo Finance team from which further details would be requested in order to update the PAB.

The PAB agreed to defer the decision on the preferred option for the Performance Charge regime for the period to the licence change until there is further certainty around the date of the licence change taking effect.

The PAB:

- **APPROVED** the amount of £39,000 as the maximum Performance Charges which can be applied to the CRS Provider in respect of each quarter of the given financial year (2026/27), as well as the full table of charges. The Code Manager will publish this information after the meeting.

NEW ACTION: The Code Manager to obtain a summary for the PAB of how DCC operational costs have reduced and the supporting rationale from the responsible person at RECCo.

SL left the meeting.

4. OPERATING PLAN

The Code Manager updated the PAB on the Operating Plan, detailing the actions taken for the month of March and the planned activities for the next few months.

The PAB:

- **NOTED** the update.

5. PARTY ASSURANCE UPDATE

The Code Manager provided updates on Party Assurance, including the non-active month performance data review for March, and on the PARC #860/861 REC Portal file validation issues. The paper also contained the expulsion of a REC Party who had entered liquidation, which is an event of default under the REC.

A PAB Member queried whether Smarter Metering Services Limited had contracted with any other REC Parties who would be adversely impacted. The Code Manager confirmed that they were only contracted for physical work and in any case had ceased to trade. As part of this event of default process, they would inform the industry of this decision. They do not believe there to be any sort of direct impact on Suppliers but there may be on MEMs who were using the company for the physical work.

Another PAB Member queried whether the Code Manager was aware of any performance issues prior to the liquidation. The Code Manager advised that they have limited direct visibility over organisations performing the physical works but had not received any previous escalations from MEMs or Suppliers.

The PAB:

- **APPROVED** that Smarter Metering Services Limited is expelled from the REC, and the REC Board is notified that this decision has taken place.
- **NOTED** the PATs applied by the Code Manager in line with the Performance Assurance Methodology and Techniques Document.

NEW ACTION: The PAB Chair to inform the REC Board that PAB have approved that Smart Metering Services Limited is expelled from the REC.

NG left the meeting.

6. ENERGY PRICE SHOCK AND IMPACT ON GB RETAIL MARKET

The Code Manager presented a verbal update to the PAB on the on-going, global energy price volatility and potential impacts on the retail market and the REC Retail Risks. The Code Manager caveated their update by noting that the current situation is volatile and outcome unpredictable, and the update is not based on any military or political expertise. Its purpose is to consider potential stresses on processes, systems and behaviours under the REC.

The following key potential impacts on the retail market were raised and discussed by the Code Manager and the PAB:

- Financial Resilience
- Impact on other Parties of Supplier failure

- Domestic Customers and the Price Cap
- Domestic Energy Debt
- Mass Switching
- I&C Impacts
- Market Entrants
- New Policy Interventions
- Creating Flexibility

The Code Manager identified several actions it can take at this stage. The Code Manager committed to keeping the PAB updated during the ongoing global situation and any potential impacts on the retail energy market.

The PAB:

- **NOTED** the update.

NEW ACTION: The Code Manager to contact all Parties regarding the on-going Energy Price Shock and to remind them of the support that their Operational Account Manager can provide.

LM left the meeting.

7. ANNUAL REPORT

The Code Manager hosted an interactive session for PAB Members on the Annual Report. In advance of the session, PAB Members were provided with a pre-read paper to allow them to consider the scope and format of the report, as well as the areas for inclusion in advance of the discussion.

The interactive session enabled PAB Members to provide their views on the approach to the report and allowed them to identify and recommend other areas of priority that the report should focus on. The output from the interactive session will feed into the draft Annual Report.

The PAB:

- **NOTED** the interactive session.

8. AOB

GS and FPS joined the meeting.

The SEC Representative updated the PAB on the latest updates on the SEC PAB. The SEC released its draft versions of the Risk Evaluation Methodology, Performance Assurance Operating Plan, and Performance Assurance Risk Register on 18 March for consultation, ending on 7 April. They advised

that the Risk Register currently includes one identified risk, focusing on the issue of incorrect DNO certificates on contacts, which has been a longstanding item on the Ops Group Risk Register. Engagement with selected Suppliers is planned to address the issue.

A Supplier Representative informed the PAB of a live case involving 154 meter points across three streets where gas meters and addresses are incorrectly aligned, impacting 138 customers. The issue has caused significant consumer detriment including incorrect billing, with potential back-billing, debt write-offs, and Ombudsman complaints. The issue impacts several Suppliers who have been collaborating and making extensive efforts to resolve the issue, including site visits and data collection. However, they advised the PAB that the iGT has declined to make address amendments, citing prior changes made in 2022, and Suppliers have faced challenges in resolving the issue due to conflicting processes for cross-meter and address amendment cases, The PAB discussed the complexities of resolving the issue, including the need to separate cases of address amendments from genuine cross-meter cases. The PAB agreed that the Code Manager would engage with the Supplier Representative and UNC Representative to understand the nature of the issue before engaging with the IGT to request address amendments and encourage collaboration.

NEW ACTION: The Code Manager to engage with the Supplier and UNC Representatives to understand the nature of the issue and collate evidence before engaging with the IGT to progress resolution of address discrepancies. The Code Manager will also advise DCC of the issue.

The RECCo Representative provided an update to the PAB on the Metering Sandbox Trial which was approved at the February PAB, despite the initial recommendation of the Code Manager to reject. The RECCo Representative advised that there had been interest from other Parties in exploring a similar Sandbox Application, raising concerns around clarity on risk, governance, assurance processes and fairness before further requests are considered. Further, the approval of multiple Sandbox models without robust governance and assurance processes could undermine the Change process, Qualification Framework, create inconsistencies, and potentially pose risks to safety.

Sandboxes are intended to be short-term derogations to test innovations while the rules evolve, but the absence of clear timelines for formal changes under I0278 could lead to a disincentive for stakeholders to wait for the proper change process. The PAB acknowledged the ongoing engagement efforts by the Change Team with industry stakeholders to address these concerns and develop a robust model under I0278. The PAB emphasised the importance of maintaining secure market entry processes with appropriate checkpoints to safeguard governance and assurance.

The PAB agreed that a clearer and more robust process for Sandbox Applications is required, including the identification and mitigation of risks, particularly those related to health and safety. It was also agreed that future Sandbox Applications should include provisions for generating useful information to inform the Change Process. The Code Manager will bring a more detailed paper to a future PAB meeting to address these concerns and outline a refined approach to Sandbox Applications.

NEW ACTION: RECCo and the Code Manager to prepare a more detailed paper on the risks associated with the previously approved Sandbox Application and a refined approach to future Sandbox Applications.

9. NEXT MEETING DATE

The next meeting of the PAB will be held online on 28 April 2026.

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