RETAIL ENERGY CODE

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MEETING MINUTES

MEETING	**RECPAB_26_0630**
DATE	**30 June, 10:30am**
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
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	SEC Representative
Scott McPhillimy	Ofgem	SMcP	Ofgem Representative
Jess Collins	Citizens Advice	JC	Citizens Advice Representative
Anna Weeks	RECCo	AWe	Service Manager
Anton Moden	Code Manager	AMo	Performance Assurance Lead
Andrew Waghorn	Code Manager	AWa	Performance Assurance Analytics Lead
Daniel Rodgers	Code Manager	DR	Performance Assurance Manager
Ishita Ghosh	Code Manager	IG	Performance Assurance Qualification Manager
Tanya Mason-Hawes	Code Manager	TM	PAB Secretary
Kat Higby	RECCo	KH	Assurance Integration Lead
Joy Nnanami	RECCo	JN	Assurance Manager
Carrie Shannon	RECCo	CS	Project Manager
Kevin Redmond	Moorhouse	KR	PAB Observer
Lewis McKenzie	Moorhouse	LM	PAB Observer
Chris Thompson *(for item 5)*	Code Manager	CT	Operational Account Manager
Sarah Jones *(for item 7)*	SJW Energy	SJ	Consultant

Attendee	Representing	Initials	Role
Bilal Ali *(for item 12)*	Data Communications Company (DCC)	BA	Head of Customer Relationship Management
Victoria Crossan *(for item 13)*	Data Communications Company (DCC)	VC	Service Manager
Alison Nickson *(for item 10)*	RECCo	AN	Head of Information Security and Data Protection

1. REVIEW OF OPEN ACTIONS AND APPROVAL OF DRAFT MINUTES

The Chair welcomed attendees to the meeting of the PAB. Apologies were given from Shelley Rouse (Operational Account Manager).

The PAB unanimously **APPROVED** the actions and draft minutes from the PAB meeting held on 02 June April 2026. PAB Members reviewed the open and overdue actions. Seven actions were closed following information provided via a verbal update.

The PAB Chair welcomed Jess Collins who is replacing as the Citizens Advice representative Faye Brookes Lewis for a one-year period, as well as Alison Dickson (REC's Head of Information Security and Data Protection).

2. OPERATIONAL MEASURE FRAMEWORK

The incoming Performance Assurance Service Provider gave an update on the Outcomes Management Framework (OMF), which is being developed to provide a consumer-focused interpretation framework for Performance Assurance. The OMF is intended to link assurance activity to consumer outcomes, evidence the value of assurance activity, and support future prioritisation and Code reform.

PAB Members discussed the importance of making the OMF tangible and clearly demonstrating how it will affect assurance activity and outcomes. PAB Members noted that consumer outcomes can be abstract and recommended further work to define consumer groups, including vulnerable customers and other consumer archetypes. It was agreed that the OMF should mature over time and that future reporting should explain the relationship between assurance activity, cost and consumer impact.

The Code Manager noted that during the development of the Risk Register, consideration had previously been given to vulnerable consumers, supported by input from Citizens Advice and relevant external research.

The PAB:

- **NOTED** the update.

NEW ACTION: The incoming Performance Assurance Service Provider to provide a further update on the impact of the Outcomes Management Framework (OMF) on consumers following engagement with consumer groups.

3. UPDATE ON CODE MANAGER EVOLUTION PROJECT

RECCo provided an update on the Code Manager Evolution project and preparations for the interim Performance Assurance service from 1 September 2026. Progress was reported across the three workstreams.

Workstream 1 was noted as being covered under the agenda item 4. The documents being brought forward included the completed RECCo Performance Assurance Strategy, the Retail Risk Register, the Performance Assurance Operating Plan (PAOP). It was explained that the documentation reflects RECCo's role as Code Manager, including its obligations and commitments under the code and licence framework.

Workstream 2: RECCo reported that significant progress had been made under Workstream 2 with the new Assurance Integration Lead already involved in activities with service providers, supporting the alignment of the various assurance elements and ensuring that RECCo provides clear direction and control across the new operating model. The team is working with service providers to validate business processes. RECCo has mapped internal processes and responsibilities, and workshops are being held with service providers to identify points requiring clarification and to ensure readiness ahead of 1 September. It was noted that workshops had already taken place and that service providers are also developing their own business processes and local working instructions. RECCo has built in time to review these materials as they are produced.

RECCo is also developing a service provider assurance framework, informed by handover discussions with the current Code Manager and by consideration of how assurance should operate consistently across different providers. The framework will go beyond contract management, service levels and KPIs, and will consider how service provision contributes to outcomes within the Outcomes Management Framework.

Workstream 3: Workstream 3 focuses on mobilisation, transition activity and handover arrangements. Documentation, knowledge and data handover sessions have been scheduled between relevant parties. A communication and engagement plan is also in place, with external engagement expected to increase over the coming months. This includes planned webinars with the Code Manager to explain the transition and introduce how RECCo will take the service forward. Operational readiness reviews are being undertaken across service providers using readiness criteria tailored to the relevant services and products. The mobilisation work is also linked to other internal RECCo activity, including the digital services project, Code licensing and Code reporting.

PAB Members sought assurance that sufficient resources would be in place by 1 September, particularly given ongoing recruitment activity and the summer period being difficult for recruiting.

In response, RECCo acknowledged that recruitment had progressed more slowly than originally anticipated. However, contingency arrangements are being developed to ensure delivery of Secretariat and coordination functions during any interim period before permanent appointments are made.

PAB Members also discussed broader governance arrangements and requested visibility of how responsibilities and decision-making structures would evolve under the new operating model. Members noted that, while individual responsibilities may not fundamentally change, the transition to a Licensed Code Manager environment would introduce important governance changes that should be clearly communicated.

RECCo confirmed that updated Terms of Reference and governance documentation would be developed and presented for review.

The PAB:

- **NOTED** the update.

NEW ACTION: RECCo to provide an update in the August meeting to clarify the changes implemented by the Code Manager Evolution Project and its effects on the PAB, including the updates made to the PAB Terms of Reference.

4. STRATEGIC PRODUCTS (2026/27)

RECCo sought approval to move the 2026/27 Retail Risk Register, Performance Assurance Operating Plan, and Performance Assurance Methodology to industry consultation which is due to launch on 7 July 2026.

The documents had been developed collaboratively with service providers and RECCo subject matter experts, and included new elements linked to the OMF, baseline monitoring, new services, and vulnerable customers.

RECCo noted that the Performance Assurance Methodology remains a robust reference document, with updates focused on RECCO's role as Code Manager and the move towards an outcomes-focused service. The Retail Risk Register was described as a transitional document, bridging the current approach and the future OMF-led approach. Existing risks, thresholds and risk drivers have been retained while additional mapping has been introduced linking risks to consumer outcomes.

The SEC Representative noted that their consultation is going live at the same time as RECCo's.

PAB Members highlighted the importance of providing practical summaries for industry participants and communicating clearly what changes would, and would not, affect participants directly.

RECCo further updated the PAB on the completed Performance Assurance Strategy, which comprises three strands covering Parties and service users, service providers, and compliance and operational processes. It is intended to support continuous improvement, positive market outcomes and RECCo's role as a licensed Code Manager. Further it was explained that the principles that will be used to assess decisions, recommendations and proposals, and that the strategy will be published for transparency.

The PAB:

- **DISCUSSED** the items proposed in the Strategic Products.
- **APPROVED** the Strategic Products to progress to Consultation.
- **NOTED** the Performance Assurance Strategy for awareness.

5. DATA ACCESS REQUEST

CT joined the meeting.

The Code Manager presented a proposal to add a new category to the Electricity Data Access Matrix for government-owned bodies, specifically to accommodate the Low Carbon Contracts Company (LCCC) which requires access to specific data items to administer low-carbon electricity subsidy schemes and support assurance activities. It was explained that LCCC is wholly owned by the relevant government department and would access data based on contractual authority and legitimate scheme administration. Further, it was noted that future applicants within this category would still require individual assessment and approval.

The PAB:

- **APPROVED** the Code Manager's proposal to add the new category Government Owned Body to the Electricity Data Access Matrix.

CT left the meeting.

6. OFGEM'S OPEN DATA CONSULTATION

The PAB Chair updated the PAB on Ofgem's consultation on open data governance and the future management of data access arrangements across the energy sector. It was explained that consideration of a previously proposed REC data access paper had been deferred to allow further assessment of the implications of the consultation. The PAB Chair clarified that there were three distinct but related issues under consideration:

- access to REC-governed controlled data,
- the release of open data, and
- consumer consent-based data sharing arrangements.

PAB Members were advised that the original Code Manager proposal related specifically to streamlining the approval process for access requests where there was already clear precedent for similar requests. However, the Ofgem consultation concerns the governance of open data, particularly the consistency of decisions made by licence holders regarding the publication of low-sensitivity data and the risks associated with combining multiple open datasets.

The PAB Chair noted that Ofgem's review had identified inconsistencies in how organisations assess and release open data. It was highlighted that while individual datasets may pose limited risk, the combination of multiple datasets from different sources could create additional privacy, security or sensitivity concerns. Ofgem is therefore seeking greater consistency in how open data decisions are made and how associated risks are assessed.

Potential governance models outlined within the consultation were discussed. These range from the development of common guidance and educational support for data controllers through to the possible creation of a central digital coordination function that could oversee or assess open data release decisions. It was noted that the structure, responsibilities and implementation timeline for any such central body remain unclear and are still being considered by government and Ofgem.

RECCo advised that it intends to respond to the consultation, supporting greater consistency in data governance while raising concerns regarding proportionality. It was suggested that different datasets present very different risk profiles and that a one-size-fits-all approach may not be appropriate. RECCo indicated a preference for a phased or hybrid approach, beginning with greater alignment of data governance practices before considering more centralised oversight arrangements.

PAB Members questioned how the proposals would apply in practice and expressed reservations about the introduction of additional governance structures, particularly where existing arrangements are already in place. There was concern that the suggested hybrid approach could result in duplication, with multiple organisations effectively performing the same role, leading to increased complexity and greater centralisation. Questions were also raised regarding the potential creation of a new open data platform and whether the benefits of such an arrangement would justify the additional costs ultimately borne by consumers.

The PAB Chair agreed that the issue extends beyond the energy sector and that the creation of a new energy-specific open data body may not fully address the underlying concern. It was noted that risks can arise not only from combining multiple energy datasets but also from combining energy data with information from other sectors. Concern was also expressed about the possibility of introducing a second layer of decision-making, whereby a new body could review, or challenge decisions already made by data controllers. The PAB Chair further highlighted that data controllers already have responsibilities under GDPR and other legal obligations when determining whether data can be released. As a result, there is a risk that adding a further oversight layer could create duplication, conflicting decisions and uncertainty regarding accountability for data release decisions.

A PAB Member noted that DNOs are already undertaking work on data governance through existing industry working groups and have been reviewing how data is shared and published across organisations.

It was agreed that a separate PAB response to the consultation was not required at this stage. Members requested sight of RECCo's draft consultation response before submission and supported continued engagement with Ofgem as the proposals develop

The PAB:

- **NOTED** the summary of the consultation and RECCo's views;
- **DISCUSSED** whether there are any views it wishes to raise via RECCo's consultation response or by submitting its own response;
- **DISCUSSED** the role PAB should play in shaping and overseeing the planned improvements to the REC data access approval process, including the risk appetite, escalation criteria, reporting arrangements and review points that should apply to any interim risk-based approval framework pending longer-term open data and digitalisation governance reforms; and
- **CONFIRMED** it would like a fuller briefing on the Energy Digitalisation Framework and implications of domain coordination.
- **AGREED** to provide comments on the REC response rather than submitting a separate PAB response.

NEW ACTION: PAB Chair to circulate the REC response to the consultation no later than Friday 10th July.

7. CONSUMER CONSENT SOLUTION

SJ joined the meeting.

RECCo provided an update on the development of the Consumer Consent Solution (CCS), including progress since the initial introduction of the programme in April. RECCo confirmed that a technical service provider has now been appointed and is working through the outcomes of the earlier design consultation. The current focus is on finalising key design elements and developing the associated Code drafting, with a formal consultation expected towards the end of August.

RECCo outlined its proposed approach to monitoring and reporting, explaining that the technical solution will maintain comprehensive audit logs of system activity. These audit logs are expected to support both service provider assurance and participant assurance through centralised reporting. At this stage, the reporting format has not been finalised, and further development will take place alongside the assurance team and technology provider following consultation.

PAB Members were advised that CCS users are not expected to submit routine monthly reports. Instead, RECCo intends to rely primarily on centrally generated reporting from the solution itself. However, there may be a requirement for ad hoc or "on-request" reporting where specific concerns are identified. Potential areas for such reporting include complaint management and consent revocation processes, particularly where organisations are interacting directly with consumers and managing consent changes outside the central solution.

It was also noted that compliance with customer experience guidelines is expected to be monitored initially through organisations' annual compliance statements rather than through separate assurance activities. RECCo emphasised that the intention is to implement a proportionate assurance approach

from day one, while retaining the ability to introduce additional monitoring requirements in future if risks or concerns emerge.

A PAB Member raised that the proposed approach to optional reporting could create issues if organisations are not explicitly required to retain the relevant information. It was suggested that data retention requirements should be made mandatory and clearly documented within the relevant REC Schedules or reporting requirements. This would ensure that organisations understand what information must be retained, for how long, and that they may be required to provide it if requested in future. Without a mandatory retention requirement, there is a risk that organisations may not hold the necessary information, creating assurance and compliance challenges when evidence is subsequently requested. To which RECCo responded that under the approach used for tariff reporting, organisations are not required to submit the report routinely. However, a standard report format is included within the reporting framework so that organisations understand what information they may be required to retain and provide if requested in future.

RECCo further provided an update on the proposed qualification arrangements for organisations seeking access to the Consumer Consent Solution (CCS). The approach remains aligned with the existing qualification framework used for non-party access to inquiry services, using information security and data protection assessments alongside formal access agreements. However, additional work is being undertaken with the current Code Manager to address the higher risks associated with access to half-hourly consumption data. As part of this, RECCo proposes that Cyber Essentials Plus should become the minimum information security standard for organisations using the CCS, reflecting the broader direction of travel across industry digitalisation and smart data initiatives.

RECCo also confirmed that the Information Security and Data Protection (ISDP) assessment has been reviewed and updated, with a revised question set proposed. Under the new approach, all applicants would complete the assessment, but the level of evidence required and the depth of review would vary according to the applicant's risk profile. This forms part of a wider move towards risk-based access to data, with qualification requirements being tailored to the sensitivity of the data being accessed and the nature of the organisation requesting access. Feedback from stakeholders and the forthcoming consultation will be used to refine the assessment process further before it is incorporated into the relevant assurance documentation and wider REC data access framework.

A PAB Member noted that access to half-hourly consumption data is likely to be provided through services such as the Smart Data Repository (SDR), where users may already be subject to onboarding, security assessments and assurance requirements. The concern raised was that organisations could be required to complete multiple, overlapping qualification processes for access to the same data. As such, emphasised the importance of ensuring that REC qualification requirements are aligned with existing BSC, SEC and SDR assurance arrangements to avoid duplication, reduce unnecessary burden on participants and provide a clear and consistent framework for data access.

RECCo responded that a key objective of the CCS qualification approach is to avoid duplicating assurance requirements that already exist under other industry frameworks. It was explained that discussions with other code bodies are ongoing, including engagement with those responsible for the Smart Data Repository (SDR), who are considering relying on the data protection assurance provided through the CCS qualification process. RECCo confirmed that feedback from other Code bodies will be sought through the forthcoming consultation and noted that wider industry digitalisation groups are exploring opportunities for a more consistent or potentially shared accreditation approach across the sector.

RECCo also advised that work is continuing with SEC governance bodies to understand the boundaries between REC and SEC assurance requirements, particularly in relation to access to half-hourly consumption data. The current view is that SEC assessments primarily focus on obtaining permission to access data, whereas the proposed REC assurance framework is intended to address

the downstream use of that data. As a result, RECCo considers that the CCS qualification arrangements are designed to fill an assurance gap rather than duplicate existing controls, while recognising the importance of ensuring alignment across industry codes and avoiding unnecessary burdens on participants.

The Code Manager acknowledged the importance of ensuring that different assurance regimes operate together in a coherent and proportionate manner. It was noted that many organisations that may seek access to CCS data, including suppliers, network operators and other market participants, are already subject to existing assurance requirements and controls for accessing half-hourly consumption data. The Code Manager confirmed that these existing obligations and assurance arrangements should be recognised within the qualification process and taken into account when assessing risk. Work is therefore underway to develop a proportionate approach that avoids treating existing market participants in the same way as entirely new users of metering data, while ensuring that appropriate safeguards remain in place. The Code Manager confirmed that the need to recognise and incorporate existing controls has been identified and is being considered as part of the qualification design.

The PAB:

- **NOTED** the CCS update and the plan to issue REC Code drafting for consultation in the summer.
- **AGREED** the position regarding the reporting and monitoring approach and that this should be captured in the summer consultation.
- **DISCUSSED** and provided feedback on the approach for mitigating information security and data protection risks and the overall risk appetite relating to half hourly metered data access.

SJ left the meeting.

8. QUARTERLY QUALIFICATION UPDATE

The Code Manager provided the quarterly qualification update focused on Controlled Market Entry (CME) and Market-wide Half-Hourly Settlement (MHHS) readiness. It was explained that a review of existing CME conditions for electricity parties is underway to ensure they remain aligned with MHHS requirements. This includes removing conditions that are no longer applicable, introducing relevant exemptions, and issuing revised CME letters to affected parties. Following discussion with individual Parties, updated conditions will be reflected within the CME dashboard.

The publication of Qualification Approach and Plan Annex 4 v3.0 was also explained, which clarifies the actions available to the BSC and REC where parties fail to qualify during the MHHS transition period. It was confirmed that these changes do not alter existing REC qualification processes and that parties may retire Metering Equipment IDs that will not operate under the MHHS arrangements without incurring sanctions.

An update on MHHS readiness was also provided, with confirmation that qualification activities remain on track and there are currently no issues requiring escalation to the PAB. It was further noted that qualification approvals continue to be processed and published, with assurance provided that progress is slightly ahead of plan due to the significant effort invested by both the programme team and industry participants.

The PAB:

- **NOTED** the updated Controlled Market Entry (CME) Conditions.

- **NOTED** the publication of the Qualification Approach and Plan Annex 4 v3.0 .

9. ASSESSMENT OF CRITICAL REC CHANGES

The Code Manager presented an update on the PAOP activity reviewing the effectiveness of REC Change R0155 (Non-Domestic Change of Occupier). The review was undertaken in response to stakeholder feedback that it is not always clear whether complex changes deliver their intended benefits once implemented. The assessment considered both quantitative performance data and feedback from parties on how the change had been managed.

The review found that most Parties are meeting the required 10-working-day timeframe for processing change of occupier requests, although performance varies significantly between organisations. Feedback from Parties was generally positive, with participants commenting that obligations were clearly set out within the REC and that the benefits of the change outweighed the costs. However, concerns remained regarding whether all Parties were meeting their obligations consistently and whether the original problem that prompted the change had been fully resolved.

A number of recommendations were developed and shared with the existing Change team, who endorsed the findings. Positive practices identified included effective readiness activities, strong stakeholder engagement throughout the change process, and early communication of proposed assurance activities and reporting requirements. The review recommended that these practices continue and be strengthened in future change programmes.

The review also identified opportunities for improvement. These included introducing a formal post-implementation review framework, improving the traceability between the original problem statement and the final solution, and establishing baseline performance measures before implementation so that the success of future changes can be assessed more effectively. It was suggested that future change assessments should include clear outcome measures and performance targets, supporting both assurance activities and the development of consumer outcome reporting.

A PAB Member welcomed the post-implementation review, noting that it provided valuable independent scrutiny of REC change activity and addressed a long-standing concern around how RECCo's activities are assessed once implemented. The review was viewed as a positive exercise that helped demonstrate accountability and provided assurance that changes are being evaluated to determine whether they are delivering the intended outcomes.

The Code Manager highlighted the importance of incorporating outcome measurements into change activities, noting that well-designed changes can often deliver greater consumer benefits than assurance activities alone. Using the Non-Domestic Change of Occupier change as an example, it was suggested that the change had the potential to save consumers and businesses significant costs by reducing poor customer experiences and preventing unnecessary expenditure. The Code Manager further emphasised that future change assessments should place greater focus on measuring realised benefits and consumer outcomes, particularly where changes are intended to protect vulnerable or disadvantaged customers and businesses from poor market practices.

The PAB Chair noted that the findings of the review had been shared with Ofgem, who continues to have an interest in non-domestic market issues. While the assessment focused primarily on the change process rather than the detailed change of occupier rules themselves, Ofgem is already receiving informal feedback on how the arrangements are operating in practice.

A PAB Member raised that many changes are implemented without sufficient follow-up to assess whether they have achieved their intended objectives. It was suggested that post-implementation reviews should become a more routine part of the change process, enabling the industry to assess whether changes have delivered expected improvements, justified the associated costs and

generated tangible benefits for consumers and market participants. The PAB Member welcomed the focus on measuring outcomes and encouraged a more disciplined approach to evaluating the effectiveness of future changes.

The SEC Representative raised a concern based on previous experience of industry change processes, noting that solutions can sometimes be designed with the expectation that any resulting issues will later be managed through performance assurance activities. They questioned whether sufficient assessment is undertaken during change development to identify whether proposed solutions introduce additional risks, complexity or assurance burdens, particularly where changes are intended to resolve existing defects or problems. It was suggested that there should be greater scrutiny of the assurance implications of change proposals to ensure that solutions do not inadvertently create new issues or increase the level of ongoing assurance activity required after implementation.

Further, the Code Manager suggested that Performance Assurance (PA) and the change process should be more closely integrated. It was noted that assurance activities should help identify issues that require change and also play a role in assessing whether proposed solutions are practical, proportionate and deliver their intended benefits. Concerns were raised that some change solutions can introduce significant complexity and ongoing assurance requirements, which are not always considered during development. It was proposed that the cost and assurance implications of a solution should form part of the overall assessment and business case from the outset, rather than being treated as a secondary consideration after implementation.

The PAB Chair agreed that performance assurance should be built into change development from the outset rather than being treated as a separate activity after implementation. It was noted that change proposals are already subject to impact assessments and review by relevant code management functions, with consideration given to how compliance and performance will be monitored. It was acknowledged that some changes will inevitably create additional assurance activity, but stressed that good code design should clearly define obligations, ensure they are understandable to participants, and establish how compliance will be measured.

The Code Manager suggested that the current approach to change governance requires reform and noted that one of the benefits of the future operating model is that RECCo will have responsibility for both change management and assurance. This will provide a single point of accountability and enable a more joined-up approach to assessing proposed changes. They highlighted that under current arrangements some changes can be difficult to monitor or assure effectively once implemented, and emphasised that future change decisions should better consider assurance implications alongside overall cost-benefit assessments.

The PAB was asked to approve the recommendations for submission to RECCo and the Code Manager to support the development of future change management processes and improve confidence that changes are delivering their intended outcomes.

The PAB:

- **APPROVED** the sharing of the recommendations set out in the paper with the REC Code Manager and RECCo.

10. PARTY ASSURANCE UPDATE

AN joined the meeting.

RECCo presented an information security breach relating to a Third Party Intermediary, setting out the steps taken in response.

The PAB:

- **DISCUSSED** the item and identified that no additional actions, beyond those set out in the paper, were required.

AN left the meeting.

The Code Manager provided updates on Party Assurance activities, including threshold reviews, handover of the service to the incoming Performance Assurance Service Provider, and deep dives into theft investigation processes, with findings and recommendations for two Parties, and discussion of positive practices and reporting accuracy.

It was noted that the routine data review identified 19 parties above the relevant risk-driver thresholds. Of these, 17 had also been above threshold in the previous month and were already subject to existing inquiries, with no major issues identified from those cases. The remaining two parties were newly above threshold but only marginally so, and notification PATs were issued in line with the usual non-active month approach. In preparation for the transition to the incoming Performance Assurance Service Provider, details of historic PATs, open inquiries and relevant context are being shared through handover and walkthrough sessions to support continuity of activities from September.

A Metering Party had been expected to attend PAB to explain its failure to provide the required 860/861 MOA portfolio data, which supports MHHS transition data cleanse activity. The issue had been outstanding for some time, despite escalation through the usual Performance Assurance route, including informal follow-up, Inquiry PATs and management intervention. Following a change in contract manager, the Party acknowledged the importance of the requirement and committed to providing a written update by 10 July, explaining the reasons for non-compliance and setting out when reporting would commence. On that basis, it was considered appropriate to await the written response before deciding whether attendance at a future PAB meeting would still be required.

The PAB Procedures were reviewed as part of the annual review cycle and, as it is already a mature document, no substantive changes were made for version 7.0. It was noted that related governance documents, including the PAB Terms of Reference, may be reviewed separately, with potential updates to follow later in the year.

Further, the Code Manager noted the theft verification approach agreed with PAB a few months ago, involving both supplier deep dives and wider industry sampling. A Party was selected for the first deep dive, which included process walkthroughs, document review and sample testing. No non-compliance was identified in relation to TDIS compliance or incentive payments, although issues were found in theft reporting, particularly the failure to include assessed loss values even where a value had been determined. Recommendations were therefore made around strengthening document review processes, introducing monthly quality assurance before reporting submissions, and ensuring assessed losses are properly investigated and recorded going forward. The Party accepted the findings and recommendations.

The wider sample review covered 71 cases and identified seven further instances where parties had not fully reported the required theft data, including missing assessed loss values and incorrect start or end dates for assessed loss periods. While these issues do not directly affect TDIS incentive payments, they may affect the theft estimation methodology and downstream processes such as settlement. A more significant issue was identified in one Party's sample, where a single theft case appeared to have been reported as two separate confirmed thefts due to duplicate leads and insufficient internal quality assurance. There was no evidence that this was deliberate, but the Party is recommended for inclusion in the next round of deep dives to confirm whether this was an isolated issue or indicative of a wider reporting concern.

Positive practice from a Party was also noted, particularly its integration of theft processes with wider business areas such as debt management, field activity and change of tenancy processes. This

integrated approach appears to support strong performance, although caution was noted in drawing broad conclusions given supplier size and market segment differences. The discussion also considered that theft is not solely a domestic issue and that further consideration may be needed on how to better segment non-domestic customers, although previous work found this difficult due to the lack of consistent market definitions.

The PAB:

- **APPROVED** the selection of two Parties as the Suppliers to be subject to the Process Assessment for TDIS Verification.
- **NOTED** the PATs applied by the Code Manager in line with the Performance Assurance Methodology and Techniques Document.
- **NOTED** that a Metering Party had been invited to attend PAB to discuss the non-compliance in regard to 860/861 reporting, but they have requested they provide a written response by 10 July and will attend a future PAB if required.
- **NOTED** that PAB Procedures v7.0 will be published on the REC Portal following PAB on 30 June 2026.

11. ANNUAL RATINGS

The Code Manager gave an update on proposed refinements to the Annual Ratings framework following a review of how the methodology operated when applied to actual performance data. PAB Members were advised that, while the overall approach was working effectively, several adjustments were proposed to ensure ratings reflected performance fairly and proportionately.

The proposed changes included introducing greater tolerance around participation in market schemes and reporting requirements, with the view that minor delays, such as submissions being only a short time late, should not be treated disproportionately. Updates were also proposed to the metering-related criteria, where experience had highlighted the need to distinguish between delays caused by parties and those resulting from factors outside their control.

The PAB was informed that metering audit outcomes are assessed using evidence recorded within the metering audit database, including commentary provided by auditors. A small number of cases had been identified where audit activities were rearranged by the auditor rather than the Metering Party. It was therefore proposed that Parties should not be negatively impacted in their ratings where delays arose due to auditor availability or other circumstances beyond their control. The PAB was advised that such instances were rare and did not indicate any systemic issue with the audit process.

A PAB member sought clarification on the proposal to share Annual Ratings results with peer organisations. While noting they would not revisit the wider debate around transparency and publication of performance information, the PAB Member requested further detail on how the final ratings would be communicated to participants and what was meant by sharing ratings amongst peer group.

The Code Manager explained that different approaches are taken for different participant groups. For Suppliers and DNOs, the ratings framework is well established and participants are familiar with the process. As a result, final ratings will continue to be shared within peer groups, allowing organisations to see how their performance compares with similar market participants. For metering providers, however, this is the first year they have been subject to annual ratings. Metering Parties need time to understand and build confidence in the framework, particularly as some concerns had been raised around the fairness of comparing organisations that had been audited under different circumstances or timescales. As a result, metering providers will initially be shown only their own rating, rather than

comparative ratings for their peers. A more transparent approach may be considered in future once the framework has matured and participants have gained confidence in the result

The PAB Member noted that continued sharing of ratings amongst suppliers represented a positive progression in transparency and performance benchmarking. They also expressed support for the phased approach being adopted for metering providers, agreeing that allowing participants time to understand and build confidence in the framework before introducing wider comparative reporting was a sensible and proportionate step.

Further, the Code Manager noted that implementing annual ratings for metering providers presents some practical challenges, as not all metering organisations actively use the existing Performance Assurance dashboard or portal. It was explained that an alternative method of communicating ratings may therefore be required. Significant engagement has already taken place with the metering sector through industry forums and meetings to explain the framework and gather feedback. However, it was acknowledged that some organisations may still be unfamiliar with the annual ratings process when results are first published. The Code Manager confirmed that communications will be managed sensitively, while also recognising that extensive engagement has already taken place and that participants will ultimately need to engage with and understand their performance ratings.

The PAB:

- **APPROVED** updating the market schemes submission timeliness wording to Missing, invalid or more than 1 day late.
- **APPROVED** updating the market schemes payment criteria to: Payment late by multiple days – Severe Concerns; Payment late by 1 day – Improvement Required.
- **APPROVED** updating the CoMCoP timeliness criterion as set out in section 2.2.
- **APPROVED** the implementation of manual overrides for CoMCoP Parties where the delay of the audit was not due to Party's actions (e.g. bereavement or delay from the auditor).

12. DELAY TO SUPPLIER ARRANGED NOTIFICATION - CSS07000

BA joined the meeting.

The Code Manager and Data Communications Company (DCC) presented a recent data incident involving misalignment between Central Switching Service (CSS) and DNO systems, requiring corrective activity from DNOs. PAB Members were advised that, although the issue appeared similar to a previously reported incident, investigations by the Code Manager and DCC confirmed that it was a separate event with a different root cause. While the incident created additional work for DNOs, DCC had already identified improvements that would have reduced the impact had they been fully implemented before the issue occurred.

DCC acknowledged that the timing of the incident was unfortunate and confirmed that mitigation measures are being developed to reduce the impact of similar issues in future. This includes introducing enhanced monitoring capabilities designed to identify problems more quickly, enabling faster intervention and reducing the number of affected records. DCC advised that it is working with its service providers and implementing additional internal monitoring to improve the speed of detection and resolution should similar incidents arise again.

The BSC Representative raised a new issue involving a potential interaction between requests to replay messages to DNOs and the processing of other CSS messages. It was reported that this may be causing some appointments to lapse and that difficulties had been encountered in obtaining

sufficient engagement from DCC to communicate the issue more widely. The BSC Representative therefore asked whether the matter could be discussed separately with DCC outside of the meeting.

The Code Manager explained that raising Performance Assurance Techniques (PATs) against DNOs would not be proportionate in this instance, as the issue arose from a system-related incident rather than failures by the DNOs themselves. Although several DNOs were affected, the majority responded promptly and engaged constructively in resolving the issue. One DNO had been approaching the point where assurance action might otherwise have been considered; however, given the additional workload created by the incident, a pragmatic decision was taken not to proceed with escalation. It was noted that while responsiveness should always be taken into account when assessing individual cases, the affected DNOs had collectively cleared approximately 90% of the backlog and were commended for their efforts in resolving the issue.

A PAB Member highlighted that the current process is resource-intensive and that issue resolution times should be reviewed, and questioned whether DCC was developing a permanent solution to prevent recurrence.

DCC advised that, in addition to resolving the underlying issues, further monitoring and control measures are being implemented to ensure that similar incidents can be identified and resolved more quickly in future. The objective is to significantly reduce the scale of any future impact and minimise the level of rework required by DNOs and other affected parties.

The Code Manager welcomed these improvements and noted that incident management and communication with industry had improved significantly compared with previous years. Further, the positive progress made by DCC in its handling of incidents and stakeholder engagement was acknowledged.

The PAB:

- **NOTED** the update.

BA left the meeting.

13. ADDRESS PRIORITISATION MATRIX UPDATE

VC joined the meeting.

A DCC representative provided an update on the implementation of REC Change R0283 and the development of the first Address Prioritisation Matrix (APM). PAB Members were advised that this was an information-only update and that a formal recommendation, together with the initial population of the matrix, would be presented to the PAB at the next meeting. It was explained that the initial implementation will operate as a soft launch, focusing on electricity addresses with valid postcodes. Work is continuing with the relevant industry bodies to address more complex scenarios, including gas addresses with invalid postcodes and plot addresses, before these are incorporated into future versions of the matrix.

The Code Manager queried whether the proposed approach for sharing APM data via email was sufficiently secure, to which the DCC representative confirmed that, while address data has previously been shared by email, the intention is to move to a more secure approach. Going forward, data associated with the Address Prioritisation Matrix will be shared through a dedicated secure portal, providing a more appropriate and controlled method for exchanging information.

A PAB member queried whether the Address Prioritisation Matrix could be further targeted by considering consumer impact, rather than focusing solely on address data quality issues. It was suggested that prioritisation should take account of factors such as how frequently a customer switches supplier and whether address issues are actively causing switching errors, exceptions or

other customer impacts. The member also proposed that consideration could be given to vulnerability indicators, such as Priority Services Register (PSR) status, to help ensure that remediation activity is focused on those consumers most likely to experience detriment from poor address data.

The DCC representative agreed that both factors could be considered within future prioritisation activities. It was explained that the current approach already uses information from enquiry services to prioritise addresses based on the likelihood of a customer switching supplier. However, further analysis could be undertaken to consider actual switching behaviour and the frequency of switching to help identify addresses that may warrant higher priority. The presenter also acknowledged the potential value of incorporating vulnerability indicators, such as PSR status, to help target remediation efforts towards consumers who may be more vulnerable to the impacts of poor address data.

The PAB:

- **NOTED** the update.

VC left the meeting.