

**67th Technical Panel Meeting
Approved Minute**

Present

David Sigsworth (DS) – CMA – (TP Chair)
Amanda Hancock (AH) – CMA (TP Secretary)
David Innes (DIn) - Commission
Andrea Mancini (AM) – Commission
Peter Strain (PS) – Castle
Robin Donald (RD) - Castle
Belinda Oldfield (BO) – Scottish Water
Ian Grundy (IG) – Pure Utilities
Fraser Gourlay (FG) – Earlsgate Water
Mike Brindle (MB) – Water Plus Ltd
Shari Finch (SF) – Compose (Part)

Apologies

Tony March (TM) – AWBN
Jeremy Atkinson (JA) – CMA
Duncan Innes (DI) – Business Stream
Tom May (TMV) – Veolia
Dave Siddall (DSC) – Clear Business Water

1. Introductions and Minute

RD was introduced to the meeting by PS and advised that this would be his last TP meeting as he was focussed on the Market down south. DS thanked PS for his contributions to the TP and wished him well in his new role.

No comments had been received on the minute, and there were no comments in the meeting. Therefore, the minute was approved by the meeting.

2. Actions and Administrative Update

AH noted that AP459 was still ongoing. BO advised that this is still with the legal team, and no clear timescales have been given for response.

AH noted that no proposals had been withdrawn or rejected since the last meeting.

AH noted that OCCP058 and MCCP 235 had been agreed. OCCP059 had been implemented on 21st September 2018 and MCCP223, MCCP225, MCCP228, MCCP230, MCCP232 and MCCP234 had all been implemented on 27th September 2018.

AH noted that Commission Change MCCP227-CC had been implemented on 27th September, and that no new Commission changes had been introduced.

There was one new Bulletin BU124 issued on 24th September for the September Release, and no Guidance Notes issued since the last TP Meeting. No new TP dates were proposed.

3. Change Proposals in Progress

There were no Change Proposals in progress at this time.

4. New Change Proposals

There were no new Change Proposals at this time.

5. Forward Planning Report

AH noted that CMAPx180 was delivered as part of the September Release, combining the SPID and Customer Name search. IG advised that they are still having an issue with the number of returns on this field and asked whether there was scope to increase it from 250.

AP469 CMA to clarify whether the number of returns in the search facility can be increased.

CMACPx181 was still on hold for delivery next FY. CMAPx184 was delivered in the September Release, and AH currently waiting on final values in order to issue a credit to SW for the double counting of the R7C and D measures.

CMACPx185 which was an output from the performance working group to introduce a performance penalty for missing transfer reads has now been approved. If anyone has any comments, AH asked that this be provided by the 26th October. This CP will be delivered in March 2019.

CMACPx186 was a new CP and followed on from the discussion at the August TP on when performance measures were run, and clarified that the CMA would like to make a change to the measures to ensure that each failure is captured at the appropriate time. Again, AH asked for any comments to be provided by close of business on Friday 26th October.

AP470 Participants wishing to provide comments on CMAPx185 and CMAPx186 should do so by close of business on Friday 26th October.

AH noted that the September Release had now been delivered and would be removed from the Release Calendar. The March Release now contains CMAPx186, and also MCCP230 Part 2.

AH then provided an update on performance charge funds, a further £157k of charges has been included in the most recent table. No new projects have been

approved, however DS advised there are one or two proposals in the pipeline. Currently, the available free cash is sitting at £1.4M.

6. Audit Update

DS provided the meeting with an overview of the Market Audit, mainly from a Board perspective. DS commented that the overall process and results of the Audit were encouraging. There was a good level of engagement, and while the results show that there are still issues that need to be addressed, the market is certainly not in a bad state.

With respect to the medium term arrangements for the Participant Audit, the Board is minded to continue with the approach of allocating responsibility for delivery to the CMA. The Board appreciates the importance of a stable specification, and we will look to be as consistent year-to-year as possible, while recognising that market priorities might change if areas become more or less risky.

DS noted that there are some loose ends from the audit which the Board would like to see tied up. Where data was not provided from the 31st March snapshot, the Board would still like to see it provided now so that we have a baseline on record. DS noted that he was not referring to the request for a data history, but missing data and missing Control Testing data. Also, Scottish Water had noted some results were indicative and required further explanation and discussion. The Board need that explanation to be provided and will be working with SW shortly to resolve.

Compliance with the data request was generally very good, as was the level of engagement during the audit process. However, there were one or two exceptions, and we need to provide a formal reminder of the importance of providing the requested information. One participant in particular did not participate in the control testing, and we are still following up with them.

AH then talked the meeting through the tables in the paper. The first table provided a high-level overview of the some of the key control tests that were undertaken. The graphs showed the best performing LP, the worst performing LP, and the Market Average. The additional tables provided a breakdown of some key metrics that were tested, including New Connections, Transfer Reads and both monthly and bi-annual meter reads. AH added that one of the key questions that needs to be answered is why are so many LPs falling short in their performance on a number of metrics, along with some (transfer reads for example) where the Market generally isn't performing well.

AH advised that to address the questions raised by the results, the CMA is proposing to host a meeting towards the end of November. In preparation for that we will send out some specific questions at the start of November. These questions will hopefully allow LPs to gain a better understanding where there are shortfalls in their own systems and processes, or whether there are underlying Market issues.

MB noted that it was difficult to get the figures into perspective without knowing the scale of the LP and was keen to understand if the number of SPIDs an LP owned had any impact on their performance. AH advised that this information was available to the CMA but had not been shared with participants at this time. PS also asked whether it was possible to break down the failures in the SPID Registrations to understand at what stage in the process they were occurring. AH advised that this could potentially be done and would investigate.

AP471 CMA to advise if it is possible to break down the stats for new registration failures to understand where in the process the failure occurs.

There followed a discussion on monthly vs biannual reads and whether there was merit in reviewing the criteria in the code for setting meters to monthly read, and then potential checks on whether these criteria have been applied correctly.

DS then asked whether there was merit in reviewing the penalty regime to ensure that it is incentivising good behaviour.

AH noted in closing that there would be a workshop arranged for the end November. CMA would issue a questionnaire for all LPs to complete. The responses to these questions can feed into any discussion at the workshop to agree a way forward.

7. Any Other Business

New Entrant Activity

AH advised that Waterscan had now received their License and applied to the CMA for their third days training. AH awaiting confirmation they have a signed WSA and are ready to register customers on the system.

Affinity for Business will be undertaking their initial training next week, and Smarta Water has also been issued with a Minded to Grant letter but have not yet been in touch with the CMA.

Customer Forum

AH advised that Peter Peacock, Chair of the Customer Forum would like to come along to the December TP to open discussions with LPs. As a result, December's TP Meeting will commence at 9am on 13th December.

Market Re-assurance Testing

AH advised that the CMA had been disappointed with the level of engagement from Participants at the September Release, and took the opportunity to remind Participants that this is undertaken to allow the Market to test out the new software and interfaces with your own internal IT before it goes live.

Whilst we were disappointed more LPs did not engage in the process, the lack of communication from the Market to confirm whether they were or were not

testing was poor. AH then asked the Market to ensure they communicate their intentions to the CMA for any future release as and when they are requested to do so.

There being no further business, DS closed the meeting.

Action Summary

Action	Subject	Update
<i>From the minute of the 64th Meeting (26th April 2018)</i>		
AP459	WIC / SW looking at legal issues associated with the terminology.	Ongoing
<i>From the minute of the 66th Meeting (23rd August 2018)</i>		
AP463	CMA to prepare final report for M CCP230 and OCCP058 and forward to WICs for consultation.	Complete
AP464	CMA to update proposal and prepare final report for M CCP228 and forward to WICs for consultation.	Complete
AP465	CMA to prepare final report for M CCP232 and forward to WICs for consultation.	Complete
AP466	CMA to prepare final report for M CCP234 and forward to WICs for consultation.	Complete
AP467	CMA to confirm whether Tdisc meters were included in stats for R10 active meters.	Complete
AP468	CMA to prepare final report for M CCP235 and forward to WICs for consultation.	Complete
<i>From the minute of the 67th Meeting (18th October 2018)</i>		
AP469	CMA to clarify whether the number of returns in the search facility on the LVI can be increased.	
AP470	Participants wishing to provide comments on CMACPx185 and CMACPx186 should do so by close of business on Friday 26 th October.	
AP471	CMA to advise if it is possible to break down the stats for new registration failures to understand where in the process the failure occurs.	