

Summary Note of Retail Market Opening Management Group meeting on 14th February 2017

Present

Sarah Hendry (Chair, Defra), Cathryn Ross (Ofwat), Ben Jeffs (MOSL), Richard Khaldi (Ofwat), Adam Cooper (Ofwat), Martin Silcock (MOSL), Steve Lyon (MOSL), Toyin Davies (Ofwat), Helen Robinson-Gordon (Ofwat), Amanda Rooney (Ofwat), Sebastian Catovsky (Defra), Jess Keedy (Defra), Sam Jackson (Defra, secretariat).

Programme status and readiness for market opening

The majority of February's meeting focused on progress towards the opening of the market on 1 April. This was framed around upcoming advice from Defra to the Secretary of State to support her decision to confirm the market opening. The group considered this advice, which will be presented on 17 February.

There was a thorough review of the risks and issues register and consideration of strong progress demonstrated across a varied source of evidence which included: a summary and analysis from the Programme Management Group (PMG) of our own management information; the advice of the independent assurance group that the market will be ready to open; and programme-level risks highlighted by market participants in their response to the recent letters of assurance process. The delivery of central market operating system release 2.3 on 11 February, as was scheduled, was noted and welcomed.

It was acknowledged that there is still much to deliver in a short space of time, including clear requirements for companies to meet their remaining activities. The group agreed that PMG should review the mechanisms in place to monitor and report on their completion. It was also noted that there are a number of risks that will not, and indeed were not expected to be, fully resolved at the market opening. These will need to be reflected and addressed by the ongoing work of partners. However the group were clear that none of these will be above the level that is acceptable to the programme and industry in April.

The evidence therefore demonstrated that the programme is on track for market opening. As a result, the group determined the programme status should be adjusted from Amber to Green.

Company readiness

The group discussed the first set of information companies had reported to MOSL on the operational performance standards. The group did note the data was not complete, and conveyed their expectation that companies take stock and ensure they take the opportunity to improve this, building confidence in these capabilities.

The group also wished to reiterate that retailers must take advantage of the "pre-registration" window if their future customers wish to switch effective on 1 April. If retailers do not do this for customers in the area of an exiting incumbent, their customer will have to

go through a transfer due to retail exit ahead of the switch and in effect be 'double-switched'. This was precisely what the pre-registration window intended to avoid. The group agreed it was important for retailers to reflect on the impact on the customer's experience of the new market.

Engagement and customer awareness

The national awareness raising campaign launched on the 23 January. Management group took significant encouragement from hearing that campaign material is currently performing above expectations. For example, the number of visitors to the Open Water website has increased by 69% since December, representing more than 13,000 new visitors. The group recognised that increasing levels of awareness will be an ongoing need, but are confident the actions underway will support the market opening.

Enduring governance

Management group held a discussion in which they endorsed an outline approach to working arrangements after market opening, the foundation of which is provided through Ofwat's market monitoring approach. The group agreed they would see and confirm a final proposal in March that retains an appropriate collaborative relationship and defines a clear purpose for the enduring governance structure. The group confirmed its intention to agree and publish information as to arrangements for the live market ahead of April.