

Highlights, RECCo Board Meeting, 3rd June 2020

1. Code Manager Procurement

A re-planning exercise has been completed for the Code Manager Procurement following Ofgem's announcement to delay to the Retail Code Consolidation go-live to September 2021. Contract award for all three functions, for REC Performance Assurance (RPA), REC Professional Services (RPS) and REC Technical Services (RTS) is scheduled for mid-September 2020.

2. Code Manager Mobilisation

RECCo has developed its Code Manager Mobilisation Plan following Ofgem's decision to move the start date for Retail Code Consolidation and the delay to the Switching Programme. This work area is being led by Sara Neal, who started as RECCo Mobilisation Manager at the beginning of May. The 'Pre-Mobilisation' phase has now commenced and is running in parallel with the procurement programme timeline. The two programmes will work closely to ensure the earliest possible alignment with prospective service providers.

The Mobilisation Plan will be the key deliverable from the Pre-Mobilisation Phase and will be used to monitor the service provider's progress against their own detailed mobilisation plans and their joint collaboration plan.

3. Retail Governance Transition

RECCo is in the process of re-baselining the Transition Plan in the context of Ofgem's recent announcements on the delay to the REC go-live date. The plan seeks to ensure the smooth transition of arrangements between codes. As part of the process to update and continue to build confidence in the REC Transition Plan, RECCo will be seeking to work with other code bodies (at the Ofgem led Retail Transition Steering Group, and on a bi-lateral basis) to validate its assumptions and develop a common understanding of the requirements. Andrew Wallace has started as the REC Transition Manager from 1 June.

4. The REC Transition Steering Group

The REC Transition Steering Group (RTSG) was set up to ensure the smooth interaction between the various Code Bodies affected by the Code Consolidation exercise: RECCo, SPAA and MRA and SMICoP. The Covid-19 crisis has delayed convening of RTSG meetings but Ofgem have now confirmed the next meeting of this important Group will be on 9 June. This session will be used to review (and brainstorm) the list of things the Group will have to do, and the questions it needs to answer, in the coming months. Ofgem's intention is to convene the group on a fortnightly basis to drive forward that work programme.

5. Financial Management

RECCo has commenced its new financial year and at this time is also concluding the audit of its financial results for year ended 31 March 2020.

The RECCo Board is committed to continually assessing the resources required by the company to deliver its core operational requirements and critical projects. The Board adopts an agile and proactive approach to financial management allowing it to deliver on its commitment made in the 2020/21 budget approval process to minimise, wherever possible, the financial impact on REC funding parties.

The audit of the financial results for the year ended 31 March 2020 is due to be completed in June. The financial statements will be placed before the Board for signature in July and then before the shareholders at the Annual General Meeting in August. As previously communicated, there will be a rebate due to REC Parties for 2019/20. The final value of the rebate will be confirmed by the audit and the Board will consider the process and timing for returning the rebate.

June 2020