

Highlights, RECCo Board Meeting, 2nd September 2020

1. Code Manager Procurement

The procurement of the Code Manager services is nearing its conclusion. The Board intends to award the contracts in mid-September, with the service providers due to start mobilisation activities immediately. Further information will be provided to all stakeholders following Contract Award.

2. Code Manager Mobilisation Programme

RECCo has completed its internal pre-mobilisation planning activities in parallel with the Code Manager Procurement timeline. The RECCo Board signed off the complete RECCo Approvals Framework at its September meeting. The RECCo Approvals Framework includes the governance structure, processes and ways of working for the Mobilisation Delivery Phase which is due to commence on the 21st of September 2020. The RECCo Mobilisation Manager will commence collaboration activities with the Code Manager Service Providers post contract award with an immediate focus on detailed implementation planning activities.

The second MSMG (Mobilisation Service Management Group) meeting was held on the 18th of August 2020. The meeting focused on RECCo readiness and was collaborative and productive. The MSMG ratified the Mobilisation High Level Critical Success Factors (CSF) aligned to RECCo's strategic objectives which are now included in the RECCo Approvals Framework.

3. Transition Programme

Steven Mulinganie represented RECCo at the first Board level REC Transition Steering Group (RTSG) meeting. The RTSG discussed terms of reference and provision of a monthly report on transition to all relevant industry Code Boards. The next meeting on 11 Sept will discuss cross code issues around information provision to RECCo.

RECCo is continuing to meet with service providers to test and agree the approach for provision of the services required under the REC. Further meetings with service providers are scheduled over the next month.

RECCo has now met with most industry Code Boards to discuss the provision of information to RECCo to support Code Manager mobilisation, and ongoing provision of services. Boards are generally supportive of the proposals with more detailed work now being undertaken to understand the legal basis and constraints around provision of commercially confidential and personal data. Boards are also generally supportive with regard to the transfer of relevant assets to RECCo to ensure appropriate ongoing control. Work is ongoing to identify the legal and tax issues around asset transfer.

4. REC Development

Ofgem wrote to the Board formally confirming that it has handed over responsibility for the completion of REC development, while Ofgem will continue to lead on the development of complementary licence modifications. REC development is expected to be completed ahead of the Ofgem consultations, expected mid-Oct for version 1.1 and mid-Dec for version 2.0.

The interim version 1.1 text will focus on the additional requirements being placed on RECCo around such matters as the procurement of support services and establishment of REC institutions such as the Performance Assurance Board, in readiness for the Retail Code Consolidation on 1 Sept 2021. The version 2.0 consultation will set out the proposed consolidated drafting and consequential changes to other codes, including but not limited to the SPAA and MRA.

The Board agreed to Ofgem's request for continuity of Subject Matter Experts (SME) support to facilitate these Autumn consultations. Ofgem's letter also confirmed its agreement to provide a secondee to lead the ongoing REC development through to its implementation.

5. Financial Management

The RECCo Board continually assesses the resources required by the company to deliver its core operational requirements and critical projects through monthly financial management reporting and quarterly re-forecasting. This allows the Board to deliver on its commitment made in the 2020/21 budget approval process to minimise, wherever possible, the financial impact on REC funding parties. RECCo is now 5 months into its current financial year and costs incurred to date have been below expectations and this has been reflected in the invoiced values to REC Parties in both April and July. In October, RECCo will develop its Forecast 2 for the remaining 6 months of the financial year and this will inform the value of invoices to be issued to REC funding parties in that month.

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