# Highlights, RECCo Board Meeting, 7th October 2020

## 1. Code Manager Procurement

The Board formally closed the Code Manager Procurement Project following the successful appointment of the REC Performance Assurance, REC Professional Services and REC Technical Services providers in September 2020. The Board received a detailed project reflections reports from the Procurement Team and Chair of the Procurement Evaluation Panel. Key themes included approach, resourcing, timescales, flexibility, evaluation and decision making. Lessons learned will be consolidated and used to support future procurement projects.

## 2. REC Development

The Board reviewed the potential impacts of the proposed Switching Programme re-plan. Whilst noting that the re-plan is still under consideration and will not be decided upon until 27 October, and that the switching schedules would now be baselined mid-November 2020 rather than as part of the March 2021 Ofgem consultation, no additional or increased risks to the delivery of the REC and associated services for RCC go-live were identified. The Board has put in place Subject Matter Expert support to deliver the REC drafting in line with the revised timetable.

The Board also considered a presentation summarising Ofgem's current proposals regarding micro-businesses and the potential for standards of conduct to be applied to Third Party Intermediaries. The Board considered whether the REC could offer an alternative governance framework to deliver the proposals. The Board agreed to submit a response to the Ofgem consultation by 23 October, offering to explore that option and to help inform Ofgem's thinking on TPI governance as required.

## 3. Transition Programme

A RECCo transition plan was presented for review. It covers access to information from existing codes, transition of current code processes to the REC, asset transfers and contracting with REC service providers. To build confidence and consensus, the plan is being tested with stakeholders (code administrators, the REC Code Manager, the Retail Transition Working Group and the board level Retail Transition Steering Group) and will be shared with other code bodies.

RECCo is continuing to engage with other code bodies to access the information, and agree the arrangements needed, for the smooth transition to the REC. There are some challenges in sharing contact detail information due to data privacy concerns. The REC Code Manager is required to compile the necessary contact details for the operation of the REC and it was agreed that it should be able to get most of the required information from REC Code Parties, but would highlight any challenges in obtaining other contact information for further investigation.

RECCo has met with service providers to test and agree the approach for provision of the services required under the REC. The RECCo Board approved the approach and timelines for contracting with three of the REC Service Providers needed for the operation of the REC.

**4. Code Manager Mobilisation Programme**

RECCo is delighted to be working in partnership with Gemserv, Deloitte and Capgemini to deliver the new 'One Code Manager' service for the REC. The Mobilisation Delivery Phase has now begun to deliver RECCo's mobilisation requirements. The requirements will to be delivered in 3 tranches, by 3 key milestones dates; Milestone 1 - 18th Dec 20, Milestone 2 - 9th April 21, and Milestone 3 - 30th July 21. The Code Manager Service will go live on the 1st Sept 2021 with the designation of REC V2.0.

During the Mobilisation delivery phase, the code manager service will be building new and innovative tools to support a digital first approach to code management. This will be coupled with business processes designed to drive efficiency and facilitate market participation.

RECCo is excited to see this project taking shape and looks forward to providing further updates over the coming months.

**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. All requests to the Board for funding or utilisation of budget allowances must be supported by a sound business case, and whenever possible, competitive procurement. 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.

At its meeting in October the Board considered the latest full year outturn forecast, reflecting actual costs incurred for the first 6 months of the financial year and an expectation of costs for the remainder of the year. This forecast informs the value of costs to be invoiced to REC Funding Parties in October. The latest forecast shows RECCo expecting to end the year in line with budget expectations.

**6. Stakeholder Engagement**

RECCo will be hosting a virtual stakeholder engagement session in Q4, 2020 to provide an update on its work programme, outline the future work plan, and introduce the REC Code Manager.

*RECCo Board, October 2020*