

MPF | Initial Performance Rectification Plan | Wholesalers

Background

Why are we requesting Initial Performance Rectification Plans?

MOSL monitors Trading Party performance against the Market Performance Standards. Where a Trading Party is underperforming, as defined in our Performance Resolution policy (website link in cell directly below), MOSL will seek Initial Performance Rectification Plans from these Trading Parties as outlined in Section 7 of CSD 0002 - The Market Performance Framework (MPF). The Initial Performance Rectification Plan enables Trading Parties to set out their planned resolution for underperformance and enables MOSL to understand the planned pace of resolution. This request will help formalise the process for identifying and rectifying issues causing Trading Party underperformance, while ensuring that information regarding in-flight and planned remedial activities is collated in a structured and consistent way across the market.

[Link to Performance Resolution Policy](#)

What information is being requested?

Trading Parties are requested to complete a series of questions relating to the relevant Market Performance Standard (MPS) metrics, plus detail how they will rectify this underperformance. Both retailers and wholesalers are requested to provide quantitative and qualitative information on how they will improve their performance and maintain this improvement.

Please note that MOSL are not asking for details relating to cyclic non-market meter read tasks within this Initial Performance Rectification request due to heavy overlap with the recent Data Improvement Plan distribution.

What are the timelines for this request?

Trading Parties are required by Section 7 of CSD0002 to provide an Initial Performance Rectification Plan within 20 Business Days of this request, specifically the **6th November 2018**.

How will the information be used?

MOSL will analyse the information submitted by Trading Parties and present a summary to the MPC and Panel meetings. This will provide a view by Trading Party of planned improvement activity, as well as identifying any specific concerns, for example, where plans have not been provided. MOSL does not intend to share specific Trading Party plans or publish them more widely.

Guidance on the information being requested from wholesalers

Completing the 'Plan Overview' section

In this section, please provide details for any performance rectification activities or initiatives against each monitored Market Performance Standard (MPS) that you are currently or planning to undertake which are expected to have an impact on the percentage of on-time tasks. For each activity, please provide an indication of whether you expect this to affect your current performance position, alongside the specific MPS to be impacted. Where known, please also provide details of your target completion date and any other information that you think may be relevant.

Activity/Initiative	Which MPS metrics will be impacted?	How will this activity/ initiative impact the performance of the relevant MPS metrics?	When will this activity/ initiative be completed?	What is the target completion date for this activity/ initiative?	How will you ensure that this activity/ initiative is completed on time?

Completing the 'Projected impact on specific metrics' section

In this section, please provide projected monthly performance metrics through to the 2018/19 year end position. It is key that any performance improvement can be maintained. Please also provide written commentary to explain the rationale underpinning the trajectories you have set out, as well as any other relevant information, for example how you are approaching prioritisation.

Metric/Performance Standard (MPS)	Percentage of Initial and Final Meter Read Submissions (MPS 1, 2 & 6)												Peer Performance Metrics for MPS 1, 2 & 6		
	Initial (Jan 2018)	Current (Oct 2018)	Target (Jan 2019)	September 2018	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019	Year End 2018/19	Trading Period (2018)	Average	Median	

Details on the metrics that are being used to define underperformance

Percentage of on-time tasks

This metric is calculated as the percentage of the total number of tasks completed on time within the reporting period against the total number of tasks completed within the reporting period.

The average (mean) and median values in the Peer Performance Metrics section are calculated using the peer performance data by Trading Party for each MPS grouping. This data is available on the MPS Standing Reports, published monthly on SharePoint.



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Trading Party name Trading Party ID	Thames Water	THAMES-W
Response completed by		
Date	06/11/2018	
Market Performance Standards (MPS) being monitored	MPS 7, 8 & 9	

PLAN OVERVIEW

In this section please provide details for any performance rectification activities or initiatives against each monitored Market Performance Standard (MPS) that you are currently or planning to undertake which are expected to have an impact on the percentage of on-time tasks. For each activity please provide an indication of whether you expect this to affect your current performance position alongside the specific MPS to be impacted. Where known please also provide details of your target completion date and any other information that you think may be relevant.

Activity / initiative	Is this activity currently in-flight or planned for the future?	Will this have an impact on the performance of on-time tasks?	Which Market Performance Standard (MPS) will this initiative specifically impact? If multiple MPS then please add details in the next column	If answered "Multiple" in the previous column, please provide details on the various MPS impacted	Target completion date	Please provide any additional commentary or data that are relevant to this activity, for example if there are key dependencies on 3rd parties
WMS Accelerated Programme	In-flight	Yes	Initial & final meter read submission (MPS 7 & 9)		3 / 0 / 2019	As previously outlined to Ofwat and MOSL it is anticipated that our Accelerated Programme will have a detrimental impact on our MPS performance including MPS 7 & 9. The Programme is scheduled to run until April 2019 and is anticipated to have a detrimental impact on MPS 7 & 9 throughout this period that will fluctuate.
Performance Insight Reporting	In-flight	Yes	Initial & final meter read submission (MPS 7 & 9)		3 / 0 / 2019	As part of our BAU performance reporting framework we monitor MPS on a weekly and monthly basis. This has provided us with the insight required to understand which business units are sending transactions to CMOS in relation to MPS 7 & 9. Subsequently we have been able to focus on failed transactions conduct root cause analysis and start to put plans in place to improve performance. In the last 6 months we have seen an improvement trend (with fluctuation) as a result of insight from this activity for MPS 7 & 9.
MPS Performance Improvement Planning	Planned	Yes	Initial & final meter read submission (MPS 7 & 9)		3 / 0 / 2019	The next step in terms of our BAU Improvement process will be to put formal improvement plans together with relevant business units to mitigate the issues raised by root cause analysis failures for MPS 7 & 9.

PROJECTED IMPACT OF ACTIVITIES ON SPECIFIC METRICS

In this section please provide projected monthly performance metrics through to the 2018/19 year end position. It is key that any performance improvement can be maintained. Please also provide written commentary to explain the rationale underpinning the trajectories you have set out as well as any other relevant information for example how you are approaching prioritisation.

Market Performance Standard (MPS)	Percentage of Initial and Final Meter Read Submission (MPS 7, 8 & 9)										Peer Performance Metrics for MPS 7,8,9		
	BASELINE (June 2018)	BASELINE (July 2018)	BASELINE (August 2018)	September 2018	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019 (year end position)	Reporting Period / Metric	Average	Median
In this section please provide projected metrics as per instructions (MOSL pre-populated baseline and peer performance figures)	46%	72%	55%	64%	60%	60%	60%	66%	66%	70%	June	68%	75%
To support understanding of your plans and to inform future engagement, please provide an overview of how you have arrived at your trajectory for this metric.	The trajectory above is based on forecast improvement as a result of BAU activity and the impact of our Accelerated programme. The root cause analysis conducted on failures for MPS 7 & 9 has provided insight for failures which has enabled us to improve performance a bit with fluctuations over the last six months. The trajectory for these metrics above is based on the improvement trends over the last 6 months and forecasting of the volumes of associated transactions.										July	78%	84%
											August	67%	76%