



Department
of Energy &
Climate Change

Transition Governance Review

Findings and Recommendations

SMDG – 11 February 2016

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Updated: 9 Feb 2016

Context & Purpose

Context

The SMIP continues to evolve and we are now moving into a period of intense testing; initial operations; early rollout; and ramp-up. As enduring arrangements are set up and start to take on their steady state roles, it remains imperative that transition governance arrangements continue in parallel to support **robust, transparent and expedient decision making** through these phases.

DECC (with significant input from programme stakeholders) has recently completed a review of the Transition Governance framework to ensure that it remains fit for purpose. The focus of the review was on amending and evolving the current ways of working but also considered changes to the:

- terms of reference of each of the groups within the current framework;
- roles and responsibilities of each of the parties; and
- issue resolution, change management and decision making processes.

Purpose

This presentation summarises the project approach and DECC's key findings and recommendations. SMDG members are asked for feedback on the proposals with a view to agreeing their implementation.

Summary Finding

The broad finding of the review team is that **the Transition Governance arrangements are sound but require evolution** (not revolution) to remain fit for purpose.

- It is imperative that there is a **collective effort** from all Transition Governance members to work collaboratively and share information and best practice on a timely basis
- Success will depend on **appropriate focus and challenge of the DCC** – with DCC ensuring Transition Governance is seen as the resolution point for issues that have significant cross-programme impact
- The arrangements will need to become **more agile with an increased focus on operational risk and issue resolution**

Key Findings & Feedback

Looking Back (Positives)

- Overall structure and principles of Transition Governance (TG) were supported
- TG groups considered to be a useful forum for participating stakeholders
- The Technical Baseline was cited as an area that had been well managed
- Strong support for the work of specialist sub-groups supporting the main TG groups, which had been successful in moving issues on and reaching resolution

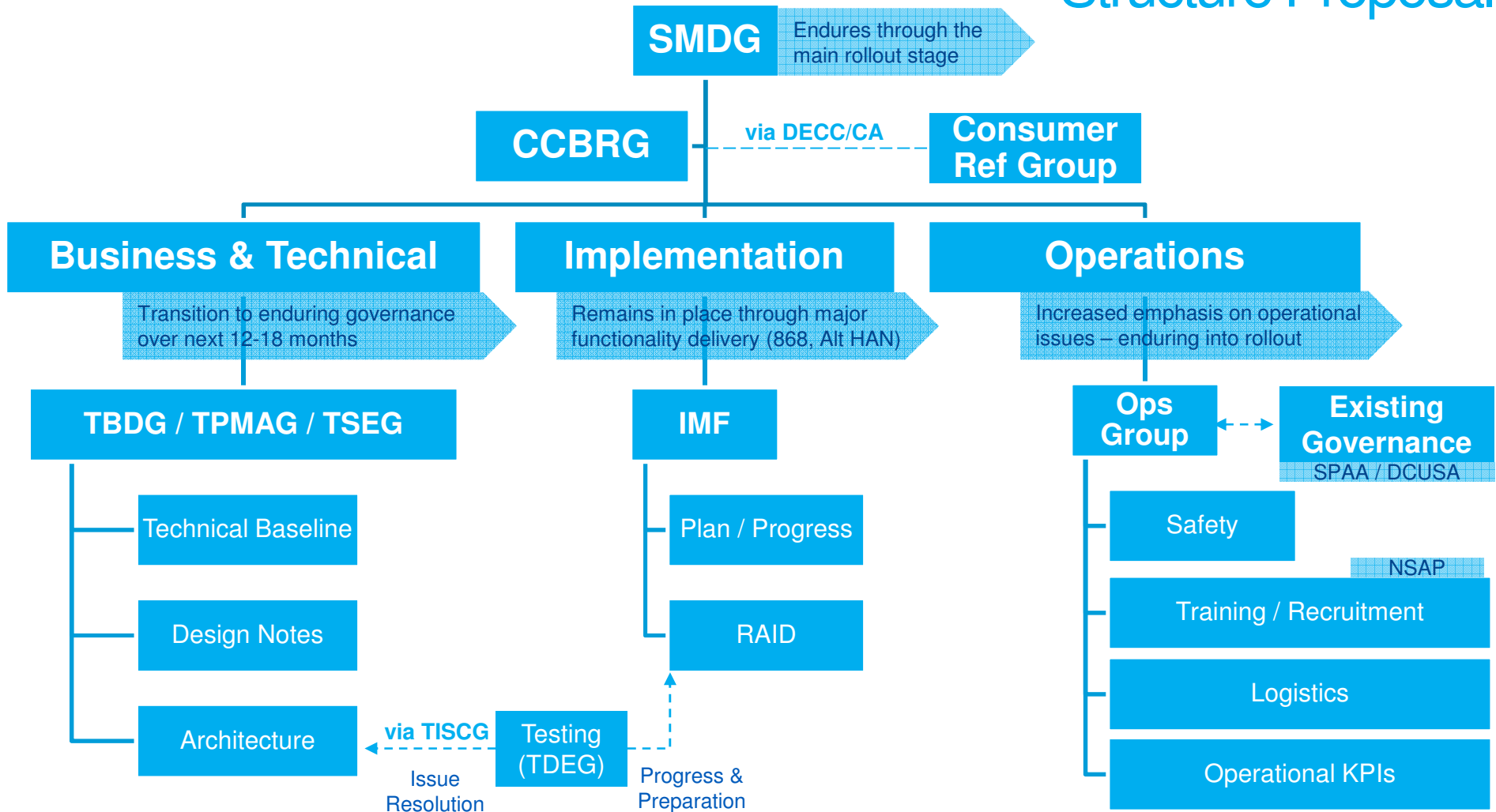
Looking Forward (Requirements)

- Need for **high levels of commitment to collaboration and problem solving** from all parties **and timely information** on progress, issues and decision making – particularly in relation to planning and change management. Imperative for enabling members to manage the JIP (and their internal programmes and stakeholders)
- Need for an **agile governance framework** that can support expedient and robust decision making – especially through testing, go live and early rollout
- Requirement for greater and **broadier focus on operational issues** and **improved links to consumer representatives** to provide feedback on consumer responses
- Improved **clarity on relationships** between the principal TG groups including how and whether issues were escalated/delegated (particularly relevant to SMDG/IMF)
- **Improved coordination and administration** with meetings intelligently sequenced and information shared in a timely manner



Recommendations

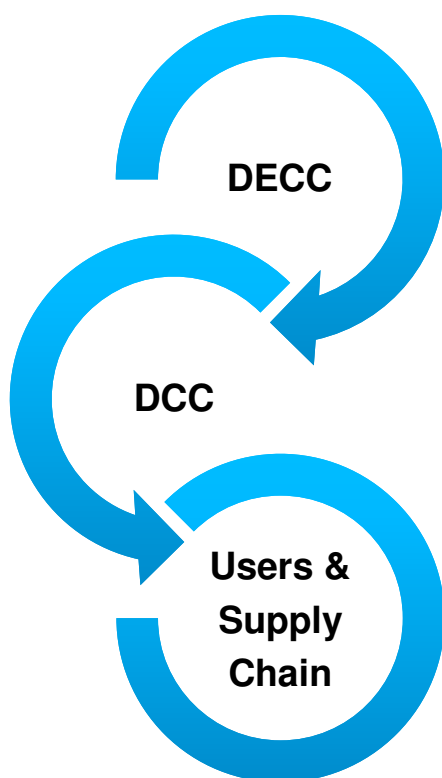
Structure Proposal



Recommendations

Ways of Working

The way members engage with Transition Governance is at the heart of an effective framework. Underpinning the team's specific recommendations is the requirements for all members to re-engage and continue to deepen their engagement with transition governance.



DECC will need to demonstrate leadership by setting clear expectations and articulating constraints. It will also need to engage/involve members and ensure information is shared in a timely manner.

How

- Holding 'in confidence' sessions where appropriate
- Sharing JIP, change and issue information as soon as reasonably possible
- Setting a clear 'statement of intent' to share information, update members ASAP and challenge
- Providing clarity on decision making process and government priorities

It is important **DCC** recognises the role of transition governance and sees it as the primary method for engaging stakeholders on programme progress; issue resolution and change management.

How

- Transparency on internal change management and service provider/DCC progress
- Key messages and information channelled through transition governance groups first

Users will need to demonstrate a collaborative approach with a focus on solutions. This must be balanced with appropriate challenge of DECC, DCC and their own plans.

How

- Where reasonable (e.g. safety), sharing programme and progress data and lessons learned
- Contribute to and take actions from transition governance to develop recommendations/solutions

Core Recommendations

Agility & Expediency

Findings

As the programme moves into the key testing, go live and operational phases, Transition Governance will need to evolve, becoming more agile and ready to support expedient decision making – ensuring momentum and confidence in delivery. Key decisions could include design interpretation; re-design vs timeline delay; and go live contingency (e.g. single CSP or single fuel readiness).

Recommendations

The key actions required to implement this recommendation are:

- DECC to amend ToRs of Transition Groups to introduce 'stand up' arrangements whereby emergency sessions can be called within a minimum of 24 hours to discuss key programme issues. Specific attendees (e.g. DCC and DNOs) could be called together depending on the issue at hand.
- DECC SRO to set out importance for agility and expedient decision making in 2016 and seek commitment from all MSG stakeholders (incl. DECC Ministers) to support principles and collaborative transition governance engagement.

Core Recommendations

Operational Focus

Findings

The ODG and its Chair have successfully tackled the vast majority of installation and operational issues in its remit. However, the programme now faces broader and more strategic operational issues which will become as (if not more) important than design and implementation issues as the programme moves towards DCC Live and Early Rollout. As such, these issues need to be ‘elevated’ within the governance framework.

Recommendations

The key actions required to implement this recommendation are:

- DECC to update ToR of the SMDG to include more specific reference to operational issues in scope including installation metrics and issues; safety; recruitment and training; and logistics.
- DECC to ‘reset’ the ODG setting up a new operational group with revised scope requirements and seeking re-nominations for both members and Chair.
- DECC to ensure that the chair of the operational group has an enduring seat on the SMDG and is involved in monthly planning sessions with chairs of SMDG, IMF and TBDG
- SMDG to commission the operational group to develop a revised set of ToRs and workplan for discussion with and approval by SMDG.

Core Recommendations

Consumer Input

Findings

In line with findings on operational issues, the project team recommends that Transition Governance looks to improve the level of consumer input as the programme moves towards DCC Live and Early Rollout. This will be particularly important in helping DECC maximise benefits delivery through information on ‘actual’ consumer issues and experiences.

Recommendations

The key actions required to implement this recommendation are:

- DECC and Ofgem to play a more active role in raising and representing consumer issues as part of Transition Governance discussions on change management (e.g. as part of design and JIP CRs raised via TBDG, TSEG and IMF) and issue resolution.
- DECC should establish an ad-hoc consumer working group (outside of the transition governance framework) that engages both proactively and reactively – assessing issues presented to it or bringing issues raised by consumers to the SMDG (via DECC or CA representatives) for consideration.

Other Recommendations

Decision Making, Administration & Test Clarity

Findings

The review team also made a number of additional findings and recommendations aimed at improving the overall operation and administration of Transition Governance. A summary of these recommendations is provided below with further detail in the Appendix.

Recommendations

The key actions required to implement this recommendation are:

DECC (as secretariat) to improve administration activities including

- Ensuring deadlines set out in ToRs for the provision of timely agendas, minutes and papers – and the posting of documents on Huddle – are met
- DECC to consider use of alternative meeting methods including WebEx and teleconference
- DECC to work with SECAS to share transition governance summaries and work plans with all SEC Parties (potentially via SEACS newsletter).

To improve clarity of testing progress and coordination of test activities and planning:

- Testing stakeholders to actively engage with DCC ensure all areas of concerns are captured in the testing issue log forward work plan for the TDEG
- DCC to revise test progress reporting to ensure stakeholders are receiving relevant detail and status (e.g. linked to business processes/functionality)

Next Steps

Based on the SMDG's support for the recommendations, the proposed next steps are:

- DECC to engage with relevant members (e.g. DCC, SECAS) to take forward specific recommendations
- SMDG members to share output internally and DECC to discuss with TG groups and other stakeholders throughout February & March*
- DECC to engage with current ODG Chair and attend ODG on 18 February to discuss proposed changes and help facilitate the establishment of a new operational group
- SMDG to formally review progress against recommendations on a quarterly basis
- DECC to initiate internal DCC Live decision making project and report back to SMDG in March to discuss scope and on-going engagement/support requirements

*ODG and TBDG 18 February; IMF on 26 February; TPMAG 8 March & TSEG 9 March



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Appendix

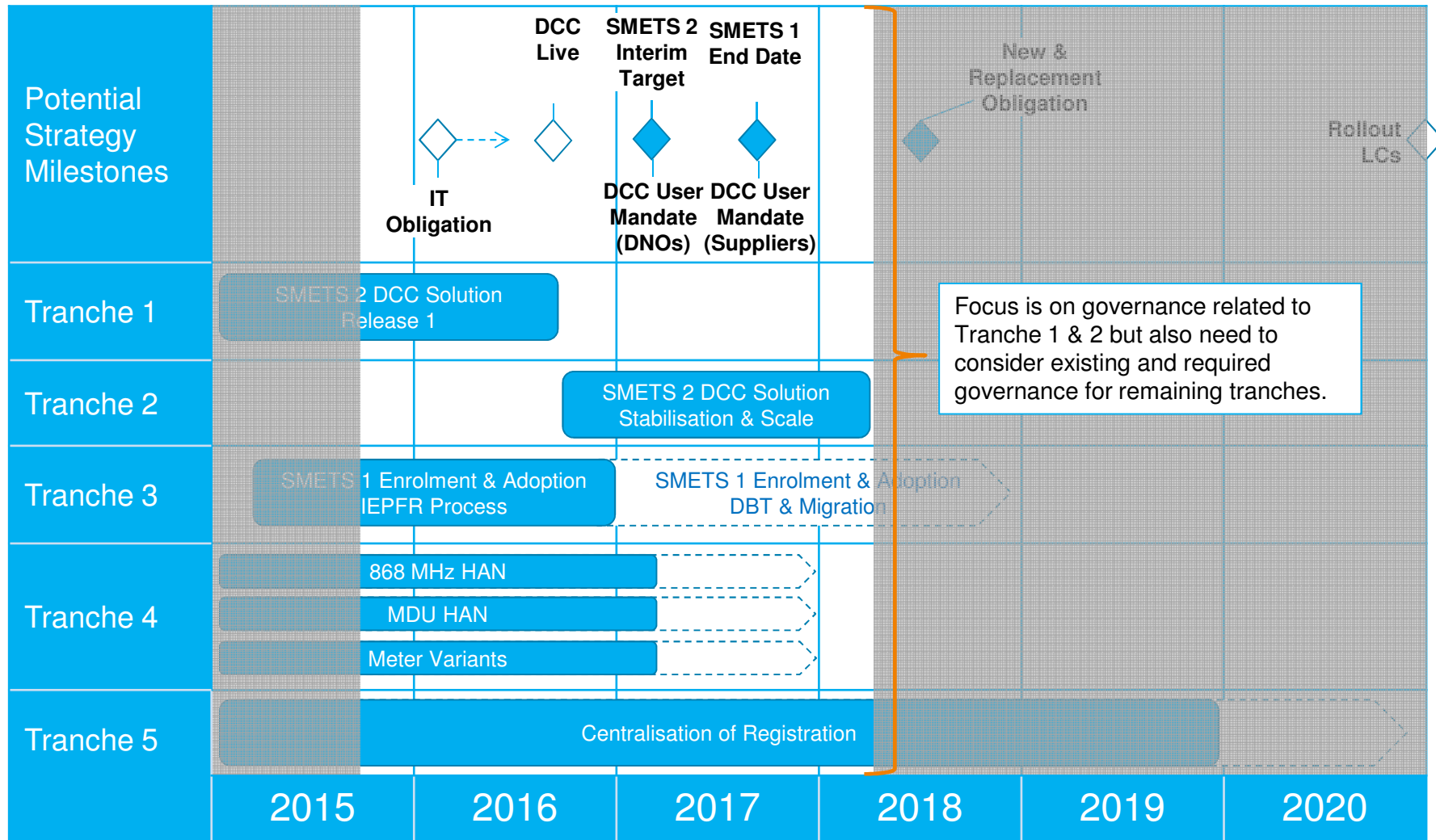
Core Scope

The scope of the work included:

- Developing a set of key scenarios for the upcoming programme phases and reviewing the current arrangements against these to develop proposals for any additions and/or changes to:
 - The overall SMIP Transitional Governance Framework
 - The ToRs of existing governance groups
 - The issue resolution, change management and decision making and approval processes
 - The high level management information requirements and operational performance metrics
 - The roles and responsibilities of each of the programme participants and high level proposals for how these could potentially change over time to support future phases (including User readiness criteria for DCC Live; Review of post-DCC Live process and market operations)
- Working with industry stakeholders to gain feedback / input and refine the proposed governance models



Timeline Scope



Potential Operations Group ToR

The current ODG ToR provide a good baseline for moving forward and minimal changes are recommended. Outline recommendations are provided below:

Area	Current ToR	Proposed Changes
Purpose	<ul style="list-style-type: none"> • Provide a forum for facilitating discussion and progress across all relevant stakeholders in resolving operational issues that could affect the successful delivery of smart meter installations. • Determine actions required to resolve issues and allocate responsibility for enabling successful outcomes. • Provide a forum where information can be shared for mutual benefit in resolving operational issues. 	<ul style="list-style-type: none"> • No significant changes proposed – clarify role in overall framework and relationships with IMF and SMDG (particularly escalation and reporting)
Membership	<ul style="list-style-type: none"> • Broad stakeholder coverage including suppliers, network operators, device manufacturers, consumer representatives and other organisations (e.g. HSE, NSAP) 	<ul style="list-style-type: none"> • No significant changes proposed – Smart Energy GB and DCC representation recommended
Sub Groups	<ul style="list-style-type: none"> • Scope for sub group establishment where specific issues arise (e.g. asbestos, MDUs, safety concerns) 	<ul style="list-style-type: none"> • No significant changes proposed
Frequency	<ul style="list-style-type: none"> • Bi-monthly meetings 	<ul style="list-style-type: none"> • Consider transition to monthly meetings in Q2 2016 with 'stand up' requirements
Scope	<ul style="list-style-type: none"> • No clear definition of scope of issues to focus on (although recognise that detailed issue log drove actions) 	<ul style="list-style-type: none"> • Take responsibility for implementing any actions of the of the safety action plan led by EUK, ENA (and Finlay) • Develop a set of key operational metrics and KPIs and a monitoring and escalation plan • Take lead role in working with NSAP to develop assessment and mitigation plan for installer recruitment and training risks • Work with DCC and suppliers to ensure comms hub training and logistics processes are appropriate and translated from documentation to delivery



Recommendations

Escalation & Decision Making

Findings

While formal decision making resides with DECC, the SofS and the Authority (and stakeholders in regards to their own programme governance), transition governance plays an important role in supporting and advising the decision making process. To improve this element of governance going forward it is important that the groups are engaged at the right time; appropriate time is provided to consider and debate key issues; and there is clear communication on issues escalated for decision.

DCC Live is the focal point of 2016 and it is important that the scope of this decision is clear and that all stakeholders understand the processes and responsibilities tied to this decision.

Recommendations

The key actions required to implement this recommendation are:

- Transition Governance Chairs to meet on a monthly basis to coordinate agendas; ensure consistency of messages and review delegated and escalated decisions.
- DECC to build a central decision, action and escalation log to track all key issues and outcomes – this should be updated following all sessions and available on Huddle.
- DECC to initiate a new internal project to develop a process and plan for the DCC Live decision making requirements (with regular input from/updates to transition governance members).

Recommendations

Administration & Process

Findings

To support the ways of working and agility recommendations it is important that the administration of the Transition Governance groups is optimised. This includes timely dissemination of information both to group members and the wider stakeholder groups.

Recommendations

The key actions required to implement this recommendation are:

- Chairs to ensure that all relevant documentation for transition governance meetings is circulated to members in line with the current timeframes set out in ToRs.
- DECC to ensure all documentation above is posted on Huddle immediately after emailing to Transition Governance members (both pre and post meetings)
- DECC to consider use of alternative means of holding Transition Governance sessions including WebEx and teleconference
- DECC to work with SECAS to share transition governance summaries and work plans with all SEC Parties (potentially via SEACS newsletter).
- DCC to provide Transition Governance with a summarised DCC Change Log showing links to TBDG/IMF Change Log and Release Strategy (as agreed via Contingency Request Process)

Recommendations

Test Clarity

Findings

Effective governance is required to manage issues and ensure clarity on progress, plans and responsibilities through integration test phases. Recent changes to the DCC-led Test Design and Execution Group (TDEG) need to be stabilised with users supporting the DCC in identifying issues and developing appropriate responses. Users also require timely and meaningful data on test issues and progress.

Recommendations

The key actions required to implement this recommendation are:

- Testing stakeholders to actively engage with DCC ensure all areas of concerns are captured in the testing issue log forward work plan for the TDEG
- DCC to revise test progress reporting to ensure stakeholders are receiving relevant detail and status (e.g. linked to business processes/functionality)

While the DCC's interaction with the SEC Panel and its Testing Advisory Group (TAG) is part of enduring governance the team also recommends:

- DCC to ensure that the TAG and SEC Panel are engaged on all relevant testing matters and provided with adequate time and information to consider (and where appropriate) review and approve testing documentation.