



Sally Hardman
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Sent via email to sally.hardman@sgn.co.uk

Dear Sally

I write in response to your correspondence dated 25 October 2024 regarding Draft 1 of the CDSP Business Plan for 2025-28 (BP25). Thanks for taking the time to provide written feedback, it is much appreciated. Your letter and this response will be published on the BP25 portal in reflection of the non-confidential nature of each correspondence.

I hope that addressing the points you have raised in the following categories will be helpful.

BP25 Documentation Provision (Business Plan Information Rules)

You rightly point out that this Business Plan is much more detailed with a significant amount of detail included. The introduction of BPIRs following Ofgem's approval of UNC modification 0841 necessitates what you accurately describe as being a 'significant step change'.

Thanks for your specific request for the inclusion of constituency-level cost summaries – you correctly point out that this has been a feature of previous Business Plans. We omitted this from Draft 1 in an attempt to reduce the burden of customer review. We will include this in Draft 2 – this is another example of how our iterative approach to Business Planning bears fruit and leads to a 'final version' Business Plan that represents customer priorities.

I apologise that a forecast in support of GD3 submissions hadn't been provided prior to your letter. I can assure you that we understand the importance of this information and trust this request has now been satisfied.

Project Trident

We agree that there was a requirement to share more information on Project Trident than we were able to in publicly available BP25 documentation, including a further breakdown of the associated 2025-26 costs. We provided extra details during a confidential briefing to DSC Contract Managers on 11th November 2024. As you know, we have adopted a cautious approach to openly sharing commercially sensitive information in publicly available documents to protect the integrity of future procurement activity.

Digital UX

You have questioned whether the scope of this investment is in line with the output of a recent customer engagement exercise, expressing disappointment that the proposals were not aimed at directly improving the change processes.

Whilst we continue to recognise the benefits of enhancing the way customers engage with CDSP service digitally (and the related benefits in terms of a more targeted approach to communication), in response to customer feedback, we are withdrawing the investment proposal from BP25.

I would like to assure you that several avenues that aim to drive Value for Money in the change space are being actively pursued via the ERIX programme.

Also, we remain committed to enhancing the CDSP communications strategy and have recently hired an interim Head of Communications whose remit includes implementing a more targeted approach. We will reassess the Digital UX investment proposal ahead of the BP26 cycle, ensuring that we re-engage with customers as to scope and appetite to invest in future.

ERIX

We have included commentary as to progress made in the Business Plan and continue to engage with the dedicated Customer Advisory Board and providing updates to the CoMC. Each 'finding' from the 2023 Efficiency Review has been categorised into how resolution can drive VfM, articulating this via our value framework, which speaks to value being driven in multiple ways. The progression of this work is focused on making CDSP services more efficient, effective and / or economic.

I hope that this provides some assurance that the ERIX programme is not purely about 'cost cutting', which would, as you suggest, risk service degradation if done in isolation. As BP25 sets out, where we see value (for money) in increasing costs to make services more effective – Draft 1 introduces a modest increase to Xoserve's direct costs to enhance Customer Advocacy by adding a strategic layer to the service, and Draft 2 additional funding for Enhanced Qualitative Assurance to mitigate future incidents – we have proposed this.

CDSP Service Development

You are right to consider Xoserve's capability and capacity to deliver all projects that are set out in investment proposals in BP25. A central theme of the entire business plan is about building Xoserve's capacity and capability so that we can deliver CDSP service now and into the future.

As you suggest, Project Trident is significant, and we will still have the requirement to undertake 'lights on' maintenance of existing central systems and deliver incremental industry code change during the BP25 period.

We also see incoming Code Reform (e.g. Ofgem's inaugural Strategic Direction Statement expected this winter) as something we need to be ready for. The CDSP Service Development investment proposes funding that will allow us to deliver a CDSP Data and Digital Strategy and explore options for a CDSP Open Data solution, which will allow customers greater capability to self-serve their data and allow Xoserve to more effectively work with other Central and Regulatory bodies on Net Zero initiatives.

I hope that this further explanation provides some added assurance that, by taking a more proactive approach to funding CDSP Service Development, we can better ensure that our focus on 'BAU' CDSP service provision is unhindered.

I trust this letter is helpful and look forward to further discussion as BP25 development proceeds.

Kind regards

James

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The logo for Xoserve, featuring the word "Xoserve" in a blue, sans-serif font. The letter "X" is stylized with a white outline and a blue fill, and the "o" is a solid blue circle.