



Kirsty Ingham
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19 December 2024

Sent via email to Kirsty.ingham@centrica.com

Dear Kirsty,

Many thanks for your written correspondence in relation to Draft 2 of the CDSP Business Plan for 2025-28 (BP25) dated 06 December 2024. Your letter, and this response, will be uploaded to the BP25 portal to reflect the non-confidential status of both correspondences.

I am grateful for the time that you've taken to provide your feedback on BP25, our CDSP services and change programmes to ensure that our services remain fit for purpose for the evolving market. Xoserve are committed to the provision of CDSP services, and the smooth running of consumer outcomes and effective industry processes remain our priorities.

After careful consideration, I would like to provide some clarifications and an alternative perspective that I would be happy to discuss in more detail. I'd like to respond to each point you have raised in turn:

1. CDSP Service Development Investment Proposal;
2. Our remit as CDSP;
3. Requests for additional information on Project Trident;
4. Current CDSP performance reporting in the Business Plan;
5. The independent assessor's view of compliance with the Business Plan Information Rules (BPIRs).

CDSP Service Development Investment Proposal

The references to the CDSP Service Development strategy within BP25 should instead refer to the CDSP Data and Digitisation Strategy. The delivery of this strategy document aligns to Ofgem's expectation and is planned for publication in Q3 2025, not within Q4 2024. I will amend the final draft to account for this clarification.

Our remit as CDSP

I would challenge your suggestion that we are undertaking activities outside of our remit as CDSP. The description of “CDSP Services” set out in Section GT-D of the UNC, includes *“any service which the CDSP can provide efficiently and economically by using resources and/or data used by the CDSP to provide core services and which helps facilitate the efficient and integrated operation of the gas industry”*¹. The leadership team in Xoserve have collectively considered your perspective, but feel that the initiatives you refer to in your letter (e.g. activity regarding vulnerable customers) are not valid examples of Xoserve overreaching its remit, and believe that it is our responsibility to fulfil these services as a responsible CDSP.

Despite our different interpretations on the remit of the CDSP set out in the UNC, I would like to reassure you that the budget presented in BP25 contains no funding for the movement of Xoserve into the role of Code Management. The BP25 budget is completely focused on the activities we believe will help us to deliver CDSP services economically, effectively and efficiently, now and in the future.

With regards to the Xoserve and Joint Office Digitalisation Stakeholder Advisory Forum, our focus has been to understand the appetite of stakeholders to digitalise gas code artefacts (including the code delivery artefacts that we are responsible for). This collaborative work has been paused whilst the relevant teams revisit the case for change.

With regards to the Vulnerability - Data Safeguarding Customers Working Group (SCWG), Xoserve are currently engaged in co-leading this SCWG sub-working group with RECCo and Capgemini. The aim of this working group is to “to use data to review whether prepayment technologies are meeting the needs of the most financially vulnerable consumers” and the workshop on 03 December had the objective to “produce a list of potential challenges and a corresponding list of recommendations to be taken forward by RECCo or/and Ofgem”. This workshop focused on four discussion topics; Policy & Code, Service, Customer Experience, and Data. We disagree that these discussion points, with the objectives outlined above, are outside of the scope of the CDSP. We feel, as a not-for-profit central body within the industry, providing shared recommendations from our collective experience to RECCo and Ofgem to help our most vulnerable gas customers is important.

With reference to your questions on the “no regrets” activities, I have not used separate criteria to define these activities and have instead looked to the UNC code for guidance

¹ <https://www.gasgovernance.co.uk/sites/default/files/related-files/2024-10/24%20GTD%20-%20CDSP%20and%20UK%20Link.pdf>

on the role that the CDSP should play within the industry. I believe that the following activities all form part of CDSP responsibilities in the context of code reform:

- The development of a data and digitisation strategy which builds on the direction in Ofgem's Data Consent Framework,
- A scoping / discovery phase for exploring our Open Data Capabilities, &
- Working with other central bodies to develop Vulnerability and Priority Service Register activities.

We will continue to respond to Ofgem's consultations and requests for information. We do not perceive there to be any need for specific budget to do this, as this is a routine activity for our strategy team.

Requests for additional information on Project Trident

I am pleased to hear that the inclusion of the outline information on Project Trident has been appreciated. For Project Trident, the programme team are following the HMT Green Book methodology to guide how to structure the proposals.

The current Project Trident indicative costs are a range and will be refined as the programme moves through to an Outline Business Case. The figure quoted within page 2 of your response, £72m, is an indicative figure representing estimates for BP25, 26 & 27. Further clarification of the costs will come through the development of the Outline Business Case and Full Business Case, where pricing will be informed by a competitive procurement process within the market and taken through robust governance to approve and manage.

We agree that customer engagement is a critical activity for the success of Project Trident, and you may recall from our launch event in September, we emphasise this as a key principle for successful delivery. Further details are also available on the Project Trident website at [Xoserve.com](https://www.xoserve.com)³, and in the Strategic Outline Case⁴. There are several forums where we expect customers to be involved:

1. We expect to appoint one or more independent representatives to the Steering Committee to directly represent the wider customer voice. We will be consulting the market through Q1 2025 to shape this role and a supporting customer forum with a view to appoint when we have identified the right candidate(s). While the ultimate oversight and decision-maker for Project Trident is the Xoserve Board, and the customer nominated directors, inclusion of the customer

³ <https://www.xoserve.com/products-services/data-products/uk-link-system/project-trident/>

⁴ <https://bp25.xoserve.com/wp-content/uploads/2024/09/xoserve-project-trident-soc-v7.pdf>

representatives in steering will aid transparency and allow input from you, our stakeholders.

2. We expect to engage our customers as we elaborate our As-Is and To-Be requirements. Development of these is progressing well, and we expect to engage our stakeholders mid-late Q1 for this.

Feedback has been solicited from Customers following each project and continuously through our CoMC and Change Forums. To additionally assure, we are appointing an independent assurance partner, to provide customer and programme assurance for Project Trident. We are open to feedback that you feel has not yet been considered or has arisen from additional reflections following the last formal engagement. We consider this programme to still be a work in progress and welcome suggestions for how we can better share information to help you prepare for inputting into Project Trident and for the change that it will bring. Please raise feedback with the channels advertised on the Project Trident webpage or with Emma Johnson, our Project Trident Stakeholder Engagement Lead, directly – we welcome your comments.

Digitalising code delivery documentation will allow for more efficient articulation of requirements and impact assessment for Project Trident. An integrated digital version of the UK Link Manual will significantly help us to prioritise code change during the Project Trident build and delivery period.

I am happy that you were able to attend our mid-year stakeholder event. We hold these so that we can build trust with our customers by being open about our plans and better serve stakeholders by soliciting their questions and input. At this event, Andy Morrey our Head of Enterprise Architecture, presented our plans for developing Xoserve's Enterprise Architecture function which will provide a contemporary, holistic view of the Xoserve architectural landscape, allowing us to visualise and review the independencies of requirements, processes, applications, integrations, data and our infrastructure. Whilst this is primarily needed to progress with Project Trident, this will in turn provide increased visibility, greater assurance around technical change and increased efficiency when carrying out impact assessments.

The Enterprise Architecture function will also see an increase in governance and control when we launch our Architecture Review Board in January 2025. There are many other benefits that will come with the maturity of the enterprise architecture function and the artefacts being built out. If there are further clarifications that we can support with, we are open to individual discussion and are happy to answer further questions.

Current CDSP performance reporting in the Business Plan

As I acknowledged in Draft 2, articulation of current performance and how it can be improved (where that is appropriate), is an important feature of this Business Plan. I have provided extensive performance statistics which satisfy the related BPIRs ('Current Performance' and 'Outputs') – this is reflected in the robust and independently calculated 100% compliance score in these areas. These statistics largely focus on where performance is measured via 49 Key Performance Metrics (KPMs) and Indicators (PIs).

Xoserve takes very seriously any incidents that impact customers. Some examples of such incidents have been referenced in customer correspondence, which we have acknowledged and are responding in 3 key initiatives, which are described in the Final Draft:

1. The facilitation of a DSC Contract Management Committee (CoMC) review of the existing DSC KPMs and PIs
 - In discussion and collaboration with CoMC, this activity will enable an assessment of whether the existing KPMs and PIs need to be refined to measure more / different areas of operational performance. We agree with you that this work is important, and as such will be appropriately prioritised.
2. The introduction of new Xoserve resources to undertake Enhanced Qualitative Assurance
 - Root cause analysis of historic incidents that have impacted customers informs that the application of embedded Xoserve resources in projects / releases being delivered by 3rd parties, focussing on qualitative outputs (e.g. test assurance) will help mitigate such occurrences in future. These resources are proposed to be added from the start of the 2025-26 financial year and will then be deployed systematically, based on a pre-determined criteria which will consider risk of customer impact as a top priority.
3. The development of a Strategic Scorecard
 - This will enable customer insight into how Xoserve is performing in the delivery of strategic initiatives (such as Enhanced Qualitative Assurance). We will consult with customers on this soon.

The independent assessor's view of compliance with the Business Plan Information Rules.

We have carefully considered your comments related to the independent assessor's view of compliance against the BPIRs, and have provided these to the assessor for consideration. We are satisfied that the independent assessment is therefore an accurate view of compliance.

In terms of Costs and Expenditure, I believe the additional information provided in Draft 2 regarding scope introduced after March 2023 is proportionate. Even though this scope wasn't subject to the extensive 2023 independent Efficiency Review, we believe BP25 articulates and evidences the value for money being delivered. I would welcome your opinion as to whether funding for a repeat of the independent Efficiency Review exercise would be useful in future Business Plan scope (e.g. BP26).

I hope that this letter further clarifies our Business Plan. If there are remaining questions on our response, we would welcome a conversation with you to discuss. I hope to further continue the open discussion between our organisations.

Thanks once again for engaging with this process.

Kind regards

James Rigby

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