

# Xoserve FGO

Project Overview Board

16 January 2015

# The Programme Team – Roles and responsibilities



**Nicola Cocks – FGO Programme Manager**

- Overall responsibility for the operation of the POB meetings and work groups;
- Responsible for signing off the papers to the POB and workstream members;
- Actively engage with members of the POB and wider industry leaders;
- Responsible for identifying, communicating and, where necessary, escalating programme risks;
- Lead on the planning and scheduling of the programme and its activities.



**Mayokun Alonge and Jacob Kane – FGO PMO**

- Day to day operational support including preparing meeting papers

- Act as a point of contact for the industry managing the stakeholder engagement strategy



- Manage programme risks, issues, actions and decisions

- Provide insight, challenge and review

- Secretariat for POB and Workgroup meetings



**Alistair Buchanan – Senior sponsor**

- Provide advice and guidance on any issues escalated for their attention. To include stakeholder engagement advice particular at Board level
- Act as point of escalation for issues.



**Duncan Michie – Engagement leader**

- Responsible for managing any interfaces with the Programme Manager's subject matter experts;

- Lead on all contractual matters; and

- Provide challenge to the Programme Management team to ensure robust delivery.

# Our Initial Observations

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1. **We have a challenging programme timescale. Early (and effective) mobilisation is key**
2. **Key to a successful programme is to have a clear vision of what we want to achieve:**
  - Important to prepare a design to articulate what we are implementing.
  - Design will indicate what is achievable in what timescales and identify changes that may require longer lead times.
3. **Appropriate governance requires those who are duly authorised to make time available and be 'in the room' for the right meetings:**
  - Organisational and financial changes for the programme will impact stakeholders throughout these organisations.
  - Real risk of additional cost and delay if initial decisions have to be reversed, therefore vital to get initial design right.

# Objective and scope – Ofgem Requirements

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## Funding

- Develop collective & cost reflective funding methodology
- Establish Transparent and inclusive annual budget setting process
- Establish transparent invoicing methodology

## Governance

- Establish Requirements to run the CDSP economically and efficiently
- Xoserve will also need to operate in line with Companies Act 2006 best practice.
- Establish board that is accountable to all users and as a minimum to include: an independent Chair, non-executive members and a Chief Executive
- Introduce a robust and transparent election process and a process to dismiss board members
- Create performance evaluation framework to monitor the effectiveness of the Board

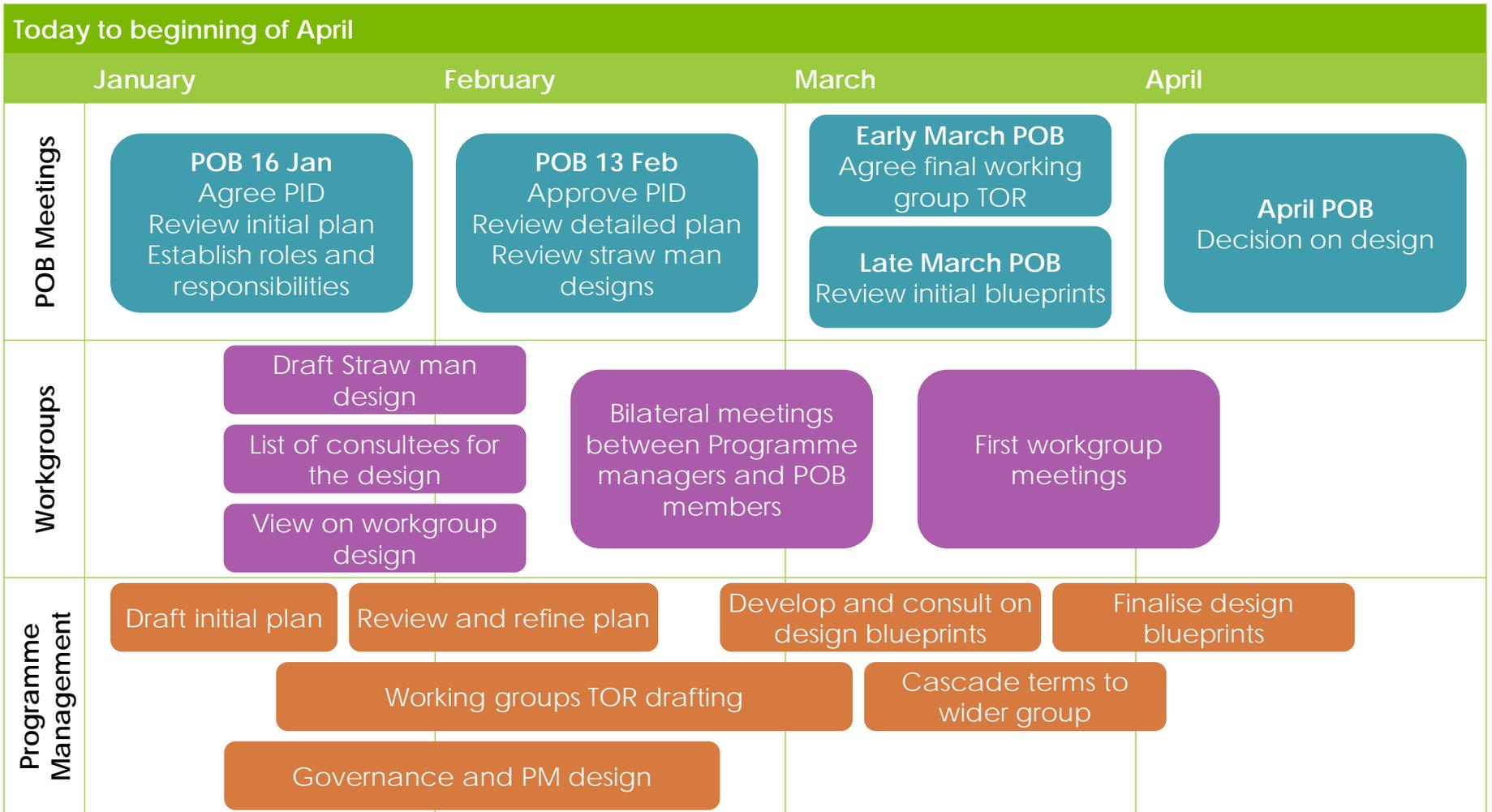
## Ownership

- GTs to remain owners but with limited rights and liabilities with all users taking a share in the control and performance risk of the CDSP
- Change to Articles of Association, shareholder agreements and Memorandums to facilitate the required changes

# Five phase delivery approach

Phase	Programme manager role	POB/wider industry/Ofgem
<b>0: Initiation</b>	Develop a programme initiation document (PID)	Review and approve PID
	Establish Governance and decision making structures	Review and approve governance structures
	Create programme management office	
<b>1: Design</b>	<b>Agree and document responsibilities and the allocation of these between parties</b>	
	Put in place suitable reporting structures and relevant processes	Agree and approve structure and processes
	Establish a high level programme plan with milestones and workgroup deliverables	Agree and confirm internal resources for the programme plan
	Produce a communications plan and structure	Agree plan and structure
	Develop a set of blueprints for the target operating model	Review and agree the final blueprint to be adopted
<b>2: Development</b>	Manage the work groups and provide support and challenge throughout process Identify areas for additional research / exploration	Contribute to workgroups and POB, ensure right level of resource particularly time for key decision makers Work up practical solutions based on identified design from phase 1
<b>3: Delivery</b>	Manage development of FGO's solutions whilst providing support and guidance in relation to the proposals presented in the development phase	Implement decision's made in phase 2. Ofgem to make decisions (code mod etc)
<b>4: Closure</b>	Ensure that all our critical success criteria have been successfully achieved	

# Phase 0-1: Initiation and design



# Phase 2- 4 Development, Delivery and Closure

Phase	Tasks	Timing
<b>2: Development</b>	<ul style="list-style-type: none"><li>■ Workgroups to design solutions in line with POB's high level aims and objectives</li><li>■ Develop any feasible 'quick wins'</li><li>■ Producing regular workgroup reports / highlight reports</li><li>■ facilitate the production of implementation options / analysis papers</li><li>■ Run Industry engagement activities to raise visibility and generate cross industry buy in amongst all industry parties</li><li>■ Develop implementable solutions and an indication of the time / resources / mechanisms needed to implement these</li></ul>	March 2015 – November 2015
<b>3: Delivery</b>	<ul style="list-style-type: none"><li>■ Practical implementation of the chosen design and solutions</li><li>■ Focus on effective implementation of the programme deliverables</li></ul>	July 2015 – March 2016
<b>4: Closure</b>	<ul style="list-style-type: none"><li>■ Ensure that all our critical success criteria has been met</li></ul>	April 2016

# Initial View of Deliverables

## Funding

- New cost allocation methodology
  - Financial model
  - Credit risk management arrangements
- New statement of charges
- Budget setting process (annual)
  - Process of notifying Ofgem of within year budget changes
  - Escalation process
  - Annual budget 2016/17
- Transparent invoicing process
  - Framework, process and plan for developing the Business Plan

## Governance

- More inclusive board arrangements
  - Board composition and constitution
  - Role specifications for Board members
- Robust and transparent election process
- Performance evaluation framework
- Process for dismissal of Board members

## Agency Services

- Changes to Articles of Association
- Changes to Shareholder Agreement
- Changes to Memorandums
- Customer contract framework
  - Contract between Xoserve and each user

Further discussion on deliverables

# Governance Structure and tools



## Tools

### Decision Log

- To record all planned decisions and to agree the information required and the decision makers for each.

### Stakeholder map and communications plan

- To ensure all stakeholders are identified and receive relevant communication depending on level of engagement with process

### Highlight reports from workgroups

- To help us to manage the agenda for the POB workgroups

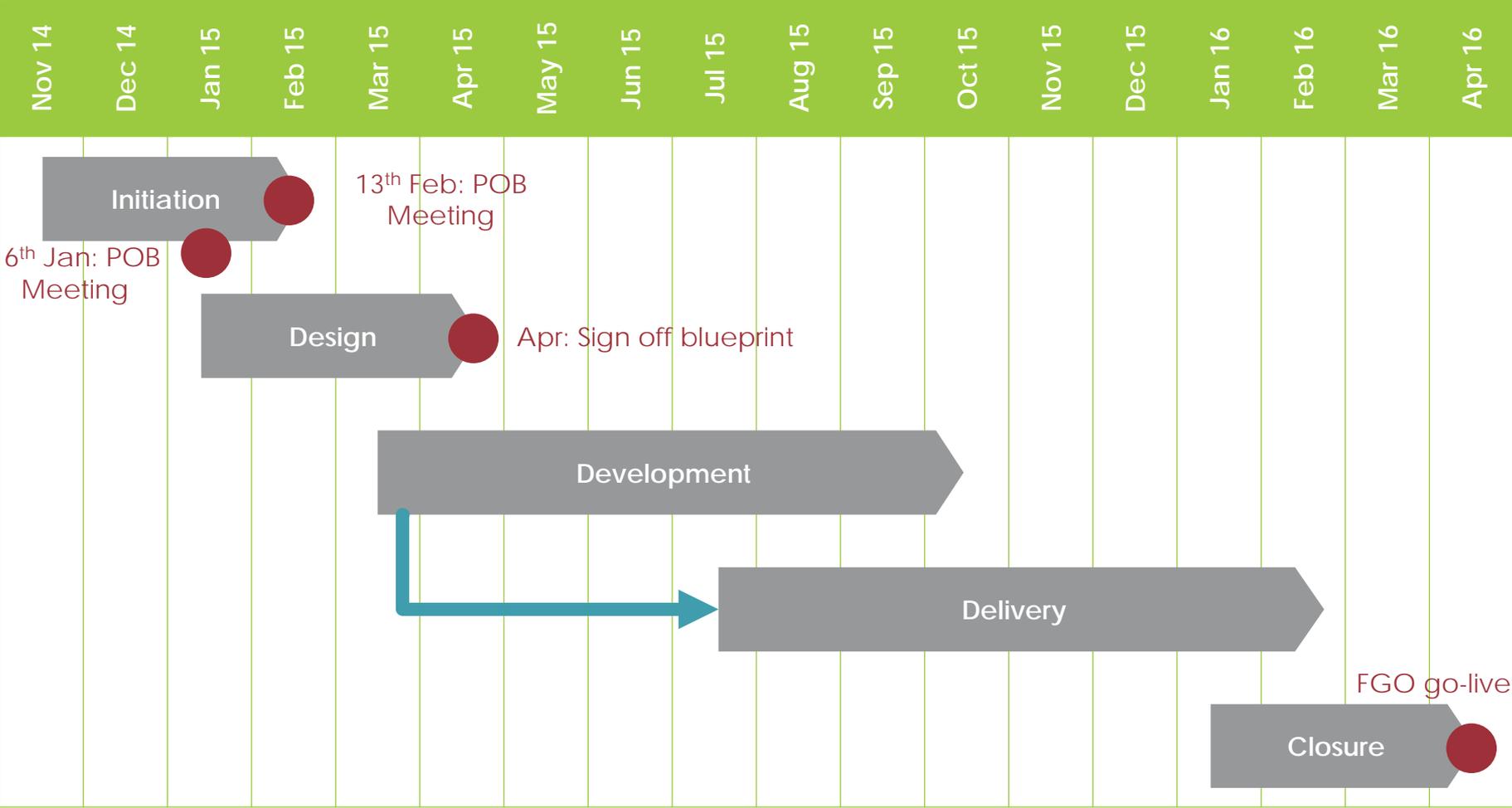
### Risk and issues register

- To identify track and manage any risks

# FGO Governance Roles and responsibilities

Name	Role	Responsibilities
FGO POB	Oversight and Governance Overall decision making	Decision makers to drive the programme forward, and approve final deliverables for submission to Ofgem, to wider industry (via relevant codes) or through implementing operational changes to Xoserve
Programme Manager	Programme management PMO activities	Facilitate the progression of POB meetings Facilitate the progression of working group meetings Managing the production of discussion papers and recording decisions to ensure progress is captured
FGO workgroups	Progress specific deliverables within each workgroups	Develop deliverables for consultation with wider industry Make informed recommendations to the POB for final decision.
Ofgem	Regulatory oversight Ultimate decision maker	Approve key deliverables where appropriate Make key decisions such as UNC code changes
GTs	Participation in POB and workgroups Provide robust challenge	Ensuring POB and work group representatives have appropriate experience and decision making authority. Approve key deliverables and produce deliverables.
IGTs		
Shippers		
Xoserve		

# High level plan



# Next Steps

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## POB Members

- Ensure appropriate resources in each of your organisations
- Ensure POB attendees are empowered to make decisions.
- Provide key point of contact to programme managers – reserve time in diary for bi-laterals
- Full review of PID, give comments to programme managers
- Review initial programme plan – contribute ideas.

## Programme management team

- Finalise PID following comments
- Finalise high level programme plan with milestones and workgroup deliverables
- Produce stakeholder communication plan
- Establish the programme management office and programme functions including:
  - Highlight report,
  - Risk log,
  - Stakeholder map etc.

**Not many working days until February POB!**