

JOINT GOVERNANCE ARRANGEMENTS COMMITTEE
MINUTES OF THE 39th MEETING HELD ON TUESDAY 26 July 2016

Attendees:

Representatives: A Musgrave (AM), Scotia Gas Networks; C Logue (CL), National Grid NTS; P Rogers (PR), National Grid Distribution; R Pomroy (RP), Wales & West Utilities and S Parker (SP), Northern Gas Networks (Chair)

Joint Office: L Jenkins (LJ).

Apologies: S Edwards, Wales & West Utilities

Also in attendance: N/A

39.1. Welcome and Introductions

SP introduced proceedings, noting that all members or their appointed alternates were present.

39.2. Review of Minutes and Actions

The minutes from the last meeting were approved.

JGAC3401: All Transporters to track and record costs (financial and hourly) incurred for the provision of legal text for 6 months starting 01 April 2015 and report to the JO ahead of the October meeting.

Update: In light of future uncertainty and the wider governance considerations as a result of the CMA investigation, members agreed that this was not deliverable in the near term. **Closed.**

JGAC3801: *Joint Governance Arrangements Agreement (ALL)* - All members to review the current JGAA and provide the Joint Office with any comments or required updates ahead of the next meeting.

Update: See item 39.5 below. **Closed.**

39.3. 2016/17 Q1 Financial Update

LJ provided a brief overview of the current financial performance for the Joint Office to date. He reported a good first quarter, with an underspend mainly due to lower than expected conferencing costs and timing of some infrastructure costs, which could be expected to correct themselves soon.

A new IT contract was now operational to provide anti-SPAM services for the JO. LJ also confirmed that the new conferencing equipment, which had been over-specified in order to alleviate Shipper concerns raised in the past, had been installed though it was too early to comment on its' performance.

JGAC thanked LJ for the financial report.

39.4. 2016 Q2 Customer Satisfaction and 2016 Q1 and Q2 CACoP KPI Reports

LJ gave an overview of the 2016 Quarter 2 Customer Satisfaction survey. He highlighted that the overall picture remained a good one, with only minor concerns raised through the survey. JGAC agreed with this summary.

LJ advised that Ofgem were close to finalising their preferences for the new, central, Customer Satisfaction arrangements. Current understanding was that the procurement route was unclear (if multi-party, who was the client – not expected to be Ofgem) and that the JO would face an unbudgeted share of the costs, currently expected to total <£50k (though the sharing mechanism was still to be decided).

LJ introduced the new Code Administrator Code of Practice KPIs, which were introduced under the Code Governance Review Ph3, summarising what could be observed. The new format was consistent across all Code Administrators to allow direct comparison. LJ drew attention to measures 11, 16 and 17 which, for the UNC, were not within the JO's remit. It was understood that Ofgem's intent was to have a suite of measures that showed the overall performance of the wider change process. Data was sourced from Xoserve for these.

39.5. Annual JGAA Review

SP explained the need to undertake an annual review of the JGAA. No particular items required amendment.

Attention turned to the need for the newly-separated National Grid Gas Distribution Ltd to accede to the JGAA in the place of National Grid Distribution. An accession agreement had been prepared and would be actioned at hive-across. It was confirmed that National Grid had the ability to sign this on behalf of all transporters, hence no further action would be required. Responding to a question from AM about whether all references within the JGAA had been identified for update, PR agreed to confirm this and advise LJ. JGAC asked LJ to liaise with Ofgem to notify them about the annual review.

39.6. Any Other Business

a) JO Recruitment

LJ updated the meeting on progress following offline conversations held over the last few months. Additional budget provisions had been agreed by correspondence on the basis of the age profile in the JO and the need to retain skills and knowledge going forward. The plan was to strengthen the team with a further three full-time staff: a Workgroup Manager and two Workgroup coordinators.

LJ and PR (formally, the employer) had agreed that the roles should be advertised as widely as possible in order to attract the best possible candidates. LJ expected that the adverts would be placed by the end of the current week. A further update would be provided in due course.

39.7. Diary Planning and Content of Next Meeting

JGAC (2016) meetings will take place as follows:

Time/Date	Venue	Agenda
10:00 - 11:00, Monday 17 October 2016	Via teleconference	2015/16 Financials Quarterly Reporting Recruitment

Action Table					
Action Ref	Meeting Date(s)	Minute Ref	Action	Owner	Status Update
JGAC 3401	17/03/15	34.2	All Transporters to track and record costs (financial and hourly) incurred for the provision of legal text for 6 months starting 01 April 2015 and report to the JO ahead of the October meeting.	All	Closed
JGAC 3801	18/04/16	38.6	All members to review the current JGAA and provide the Joint Office with any comments or required updates ahead of the next meeting.	All	Closed