



Proposals for Enduring Delivery Governance

DSC Change Committee

11 Oct 17

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1. Background

Project Nexus was delivered on 01 Jun 17 and the PIS period concluded as planned on 31 Aug 17. The eventual successful delivery of Project Nexus was facilitated by a comprehensive delivery governance structure that was set in place by Ofgem. That delivery governance structure has now been stood down however it is recognised by Xoserve, many market participants and also by Ofgem (in their exit report) that the current DSC committee structure is lacking a delivery function.

This document sets out Xoserve's proposals for establishing such a delivery function. The proposal is to trial such a function to support the delivery of UKLink's R2.0.

The remainder of this slide pack sets out the proposals in further detail and is broken down into the following sections:

- **Recommendation**, in which two alternative recommendations are presented.
- **Summary of proposed approach**
- **Proposed approach:**
 - Key Features
 - Role of the proposed DSC Project Delivery Sub-Committee
 - Proposed membership, chairmanship and decision making
 - Lifespan and review
 - How the proposals would work in practice
- **Next steps:** The steps required to further develop the governance model.

2. Recommendation and summary of proposals

The DSC Change Committee is asked to approve the establishment of a Delivery Sub-Committee for a trial period as set out below and on the following slides.

Establishment of a Delivery Sub-Committee

1. The proposals call for the trial of a new Delivery Sub-Committee focused on managing the industry delivery of R2.0 and assuming the role of the existing SDG and DRG.
2. This committee would be a sub-committee of the DSC Change committee.
3. The trial period will be from approval up to 1 month following the go-live of R2.0.
4. Prior to the end of the trial the usefulness of the committee will be assessed by the DSC Change Committee and a decision taken on its future (options are continue, stand-down permanently, stand-down with option to stand-up if future deliveries require)

Role of the Delivery Sub-Committee

1. The Delivery Sub-Committee would have responsibility for managing the industry wide delivery of R2.0 for which the the DSC Change had agreed the scope and costs. This would include making decisions relating to delivery that did not impact scope, timeline or cost with the proviso that any such decision could be appealed to the DSC Change Committee.
2. The functions currently undertaken by the Solution Development Group (SDG) and the Defect Release Group (DRG) would be taken on by the Delivery Sub-Committee allowing the SDG and DRG to close (though it is hoped that attendees of both continue to attend the new committee).

Scope of activity

1. Scope area 1: Make decisions and recommendations to the DSC Change Committee relating to the industry-wide delivery of R2.0. Where such decisions do not affect scope, timeline and the budget agreed with DSC Change Committee.
2. Scope area 2: Make recommendations to the DSC Change Committee on the initial (and changes to) scope, timeline and budget (current role of SDG).
3. Scope area 3: Provide oversight of the prioritisation and deployment of defect fixes and changes to UKLink into the live environment (as per the current DRG).
4. With regard to Scope area 1, any such recommendations would be deemed to be accepted by the DSC Change Committee unless a participant raises a challenge at the next DSC Change Committee. If such a challenge is raised then the DSC Change Committee will decide on the next steps.

Membership

1. Membership of the committee will be open to all parties
2. For continuity, at least one representative from each of the constituencies identified in constituencies (as per UNC GT-D, section 2) should be nominated
3. Any decisions or recommendations within the sub-committee's vires would require unanimity amongst attendees present.
4. If the Delivery Sub-committee cannot reach unanimity then the issue would be escalated to a subsequent DSC Change Committee.

Chairmanship

1. See next page for two alternative options.

2. Recommendation and summary of proposals

There are two options for the chairmanship of the Delivery Sub-Committee:

Option 1: Independent Chair.

Xoserve identify an independent chair and propose the chair to the DSC Change Committee. The advantages of an independent chair are that they will be better able to ensure that any issues that are contentious between Xoserve and participants can be fairly discussed. Also, Xoserve do not believe they currently have a suitable delivery experienced resource to chair the sub-committee. The disadvantages are largely down to the cost overhead of providing an independent chair.

Option 2: Xoserve Chair

Xoserve identify an individual from within their organisation to chair the DSC Change Committee. The advantages and disadvantages are the reverse of Option 2. External support could be provided during the initial meetings.

The estimated cost of an independent chair would be around £2500 per meeting.

3. Further details of the proposals

Key features:

The proposals call for the trial of a new DSC Sub-Committee focused on managing industry aspects of delivery of change to the UKLink systems. The proposed sub-committee “the Delivery Sub-Committee” would be a sub-committee of the DSC Change Committee. For the period of the trial, the Delivery Sub-Committee will consolidate the activities of the existing Solution Design Group (SDG) and Defect Release Group (DRG) along with taking on responsibility for managing the industry deployment of R2.0. It is hoped that current members of SDG and DRG will continue to attend the Delivery Sub-Committee. The Data Management Group (DMG) would continue as a separate group supporting PAC as its membership has specific data expertise. If the Delivery Sub-Group needs to address data issues as part of R2.0 delivery it will seek to leverage the DMG.

The trial period will be from approval up to 1 calendar month following the deployment of R2.0 into the live environment. Prior to the end of the trial period the usefulness of the Delivery Sub-Committee will be assessed by the DSC Change Committee and a decision taken on its future. The options for the future include (but are not necessarily limited to: continue the Sub-Committee, disband the Sub-Committee permanently or stand-down the Sub-Committee with option to stand-up again when needed).

In summary the proposed roles of the three committees (with respect to delivery) would be:

1. **DSC Change:** Prioritise and agree scope and allocate budget for each release/change.
2. **DSC Contract:** Establish budget (annual basis).
3. **DSC Delivery Sub-Committee:**
 - a. Overseeing the industry activities required to deploy R2.0 into the live environment (including, if required, any industry activities such as market trials)
 - b. Making recommendations to the DSC Change Committee on the scope, timing, delivery and priorities of different releases (as per the current SDG).
 - c. Providing oversight of the prioritisation and deployment of defect fixes and changes to UKLink into the live environment (as per the current DRG).

Decision making and development of recommendations by the Sub-Committee would be by consensus of attendees. Any decision taken by the Sub-Committee that is within its vires (see next slide) will be deemed final, unless any participant objects within an agreed time period. In this circumstance the DSC Change Committee will then determine the next steps.

3. Summary of the proposals

Role of the Delivery Sub-Committee during the trial:

Full terms of reference for the proposed DSC Project Delivery Sub-Committee will be developed by the sub-committee itself and submitted to the DSC Change Committee for approval. This slide provides an overview of the proposed roles and responsibilities of the sub-committee.

Summary of role:	Key functions:	Key responsibilities
<p>To oversee the industry activities required to deploy R2.0 into the live environment (including industry activities such as market trials)</p>	<ul style="list-style-type: none"> • Development of industry delivery approaches and preferred options • Development and maintenance of cross industry delivery plans • Approval of portions of the detailed technical design that impact participants (e.g interface designs) • Management of cross industry activity (e.g. testing and cutover) • Provision of cross industry progress reporting • Cross industry risk and issue management 	<p>Make decisions and recommendations relating to the industry delivery of R2.0. Decisions would be limited to decisions that do not affect scope, timeline and the budget agreed by the DSC Change Committee. See examples on next page.</p>
<p>To make recommendations to the DSC Change Committee on the scope, timing, delivery and priorities of different releases (as per the current SDG).</p>	<ul style="list-style-type: none"> • As directed by the DSC Change, make recommendations on the scope, timing, delivery and priorities of different releases (as per the current SDG). 	<p>Make recommendations to the DSC Change Committee on the initial (and any changes to) scope, timeline and budget of future releases.</p>
<p>To providing oversight of the prioritisation and deployment of defect fixes and changes to UKLink into the live environment (as per the current DRG).</p>	<ul style="list-style-type: none"> • Coordinate industry input into the prioritisation of defects releases and changes during the trial period (as per current DRG). 	<p>Make decisions and recommendations on the priorities and deployment schedule for defect fixes and changes deployed during the trial.</p>

3. Summary of the proposals

Role of the proposed Delivery Sub-Committee:

The following table sets out examples of the decisions that would be within and outside the remit of the Delivery Sub-Committee:

Examples of decisions within vires:	Examples of decisions outside vires (unless specifically instructed by the DSC Change Committee):
<p>Approach to market trials: e.g. Whether a market trials period is required. If so, how long should it last, where in the programme should it be scheduled, how will it be run, what will be the entry and exit criteria?</p> <p>Planning parallel activities: e.g. Can performance testing be run in parallel with data migration, can market trials be run in parallel with transition dress rehearsals?</p> <p>Transition process: e.g. How many dress rehearsals are required, how will the industry be kept informed during dress rehearsals, what will be the structure of dress rehearsals, will industry be involved in the dress rehearsals and if so, how?</p> <p>Go-live e.g. What will be the go-live decision making process, how will overall Xoserve and industry readiness be assessed, what contingency needs to put in place across the programme, what will be the process for managing issues that occur during and immediately following go-live?</p> <p>Technology Solution e.g. Input to Xoserve's decision on whether functionality is best delivered within SAP, AMT Market Flow or some other technology.</p> <p>Plan recovery e.g. When delivery problems occur (for instance a failure of testing phase), what steps can be taken to recover the overall plan and still allow delivery to timescale, scope and budget?</p>	<p>Scope: e.g. Deferral or removal of items from agreed scope, addition of items to agreed scope.</p> <p>Budget: e.g. Changes to the agreed Xoserve delivery budget (unless within an agreed contingency limit).</p> <p>Delivery priorities/timelines e.g. Moving items between releases such that the agreed delivery timeline for an item are no longer met.</p> <p>Extending project timelines e.g. Delaying the project beyond any pre-agreed contingency.</p> <p>Note "agreed" means agreed by DSC Change Committee and/or DSC Contract Committee as appropriate.</p>

3. Summary of the proposals

Proposed membership and decision making:

Membership

Membership of the Delivery Sub-Committee will be open to all parties who wish to attend. In order to provide continuity, at a minimum one representative from each of the constituencies identified in constituencies (as per UNC GT-D, section 2) should be nominated for the trial period.

Decision Making

Ultimate decision making with respect to matters considered by the Delivery Sub-Committee will remain with the DSC Change committee. However, if the Delivery Sub-Committee is able to achieve unanimity on a decision that is within its vires then this decision will be taken as made unless subsequently appealed by a participant to the DSC Change Committee who would then determine the next steps. This approach allows for rapid decision making on delivery matters, preserves the pre-eminence of the DSC Change Committee and avoids the need for the DSC Change Committee to “rubber stamp” every decision (i.e. they only intervene when there is disagreement). Participants would need to raise any decisions they disputed within a certain time period (say five business days from issuance of the Delivery Sub-Committee’s minutes).

If the Delivery Sub-Committee was unable to reach unanimity on a key decision then the decision, as for a decision subsequently appealed, would be raised with the DSC Change Committee.

For recommendations to the DSC Change Committee then the Delivery Sub-Committee would again seek to achieve unanimity. In the event that this could not be reached then the alternate viewpoints would be represented to to the DSC Change Committee.

Chairmanship

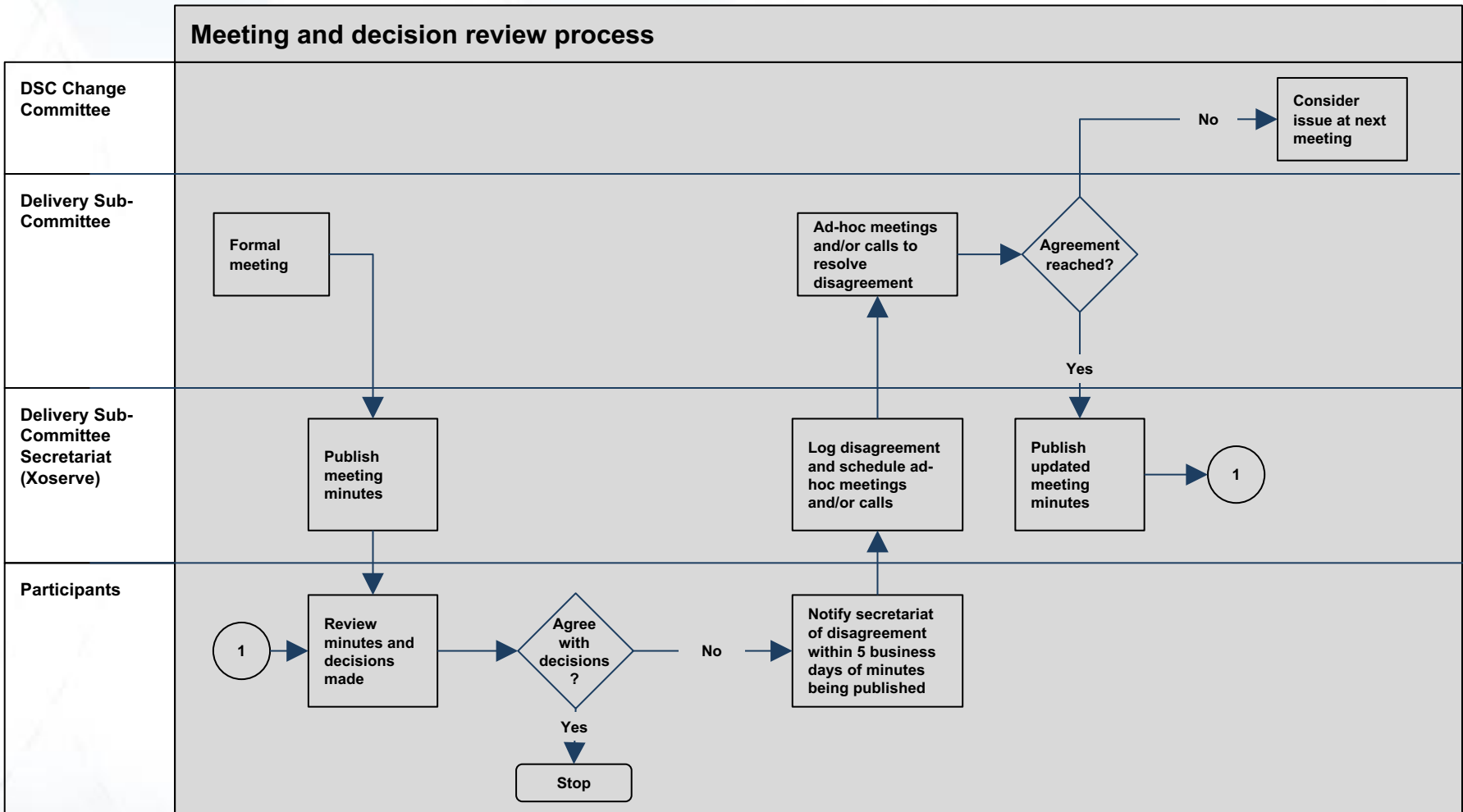
There are two options for chairmanship:

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3. Summary of the proposals

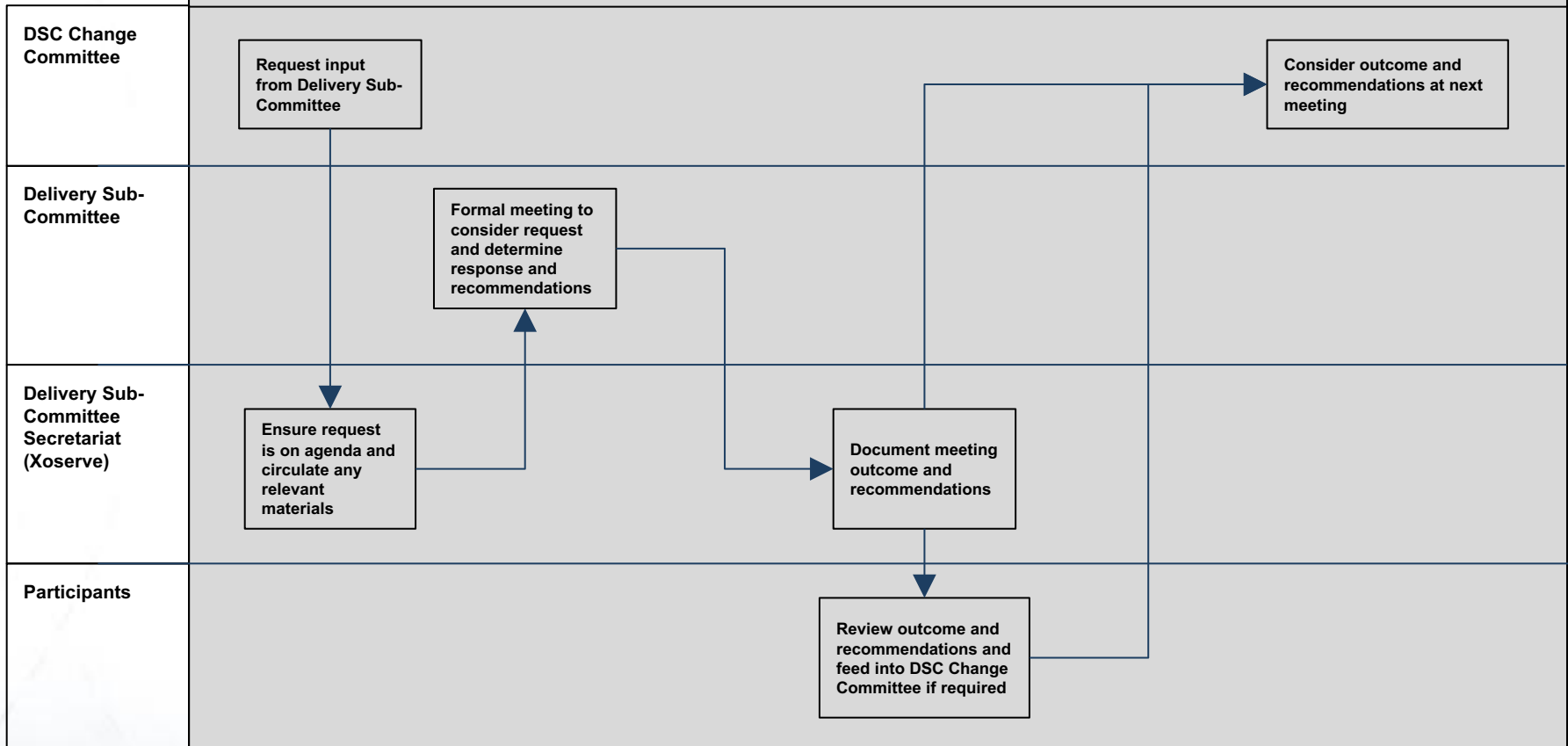
How the proposals would work in practice:



3. Summary of the proposals

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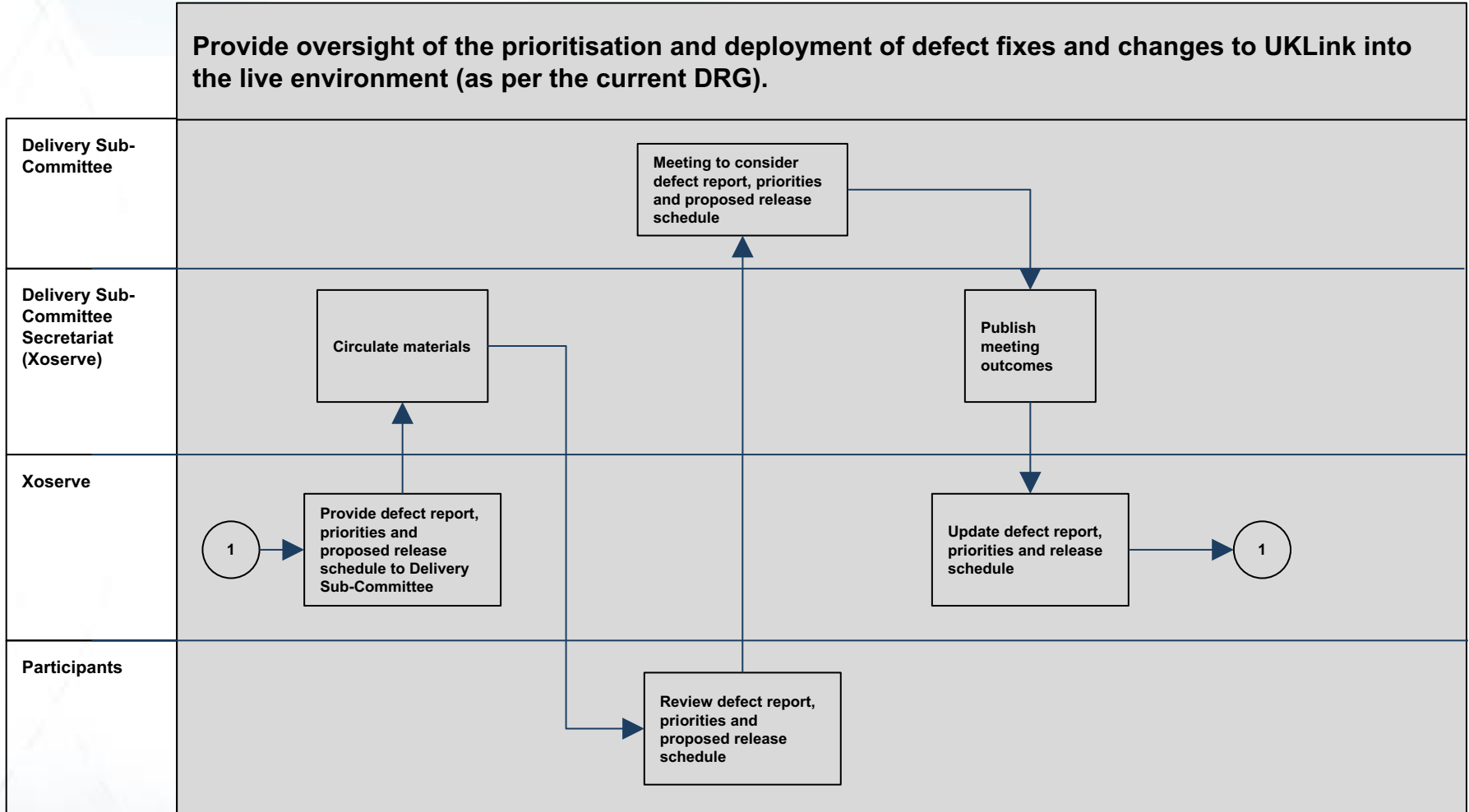
Make recommendations to the DSC Change Committee on the scope, timing, delivery and priorities of different releases (as per the current SDG).



3. Summary of the proposals

How the proposals would work in practice:

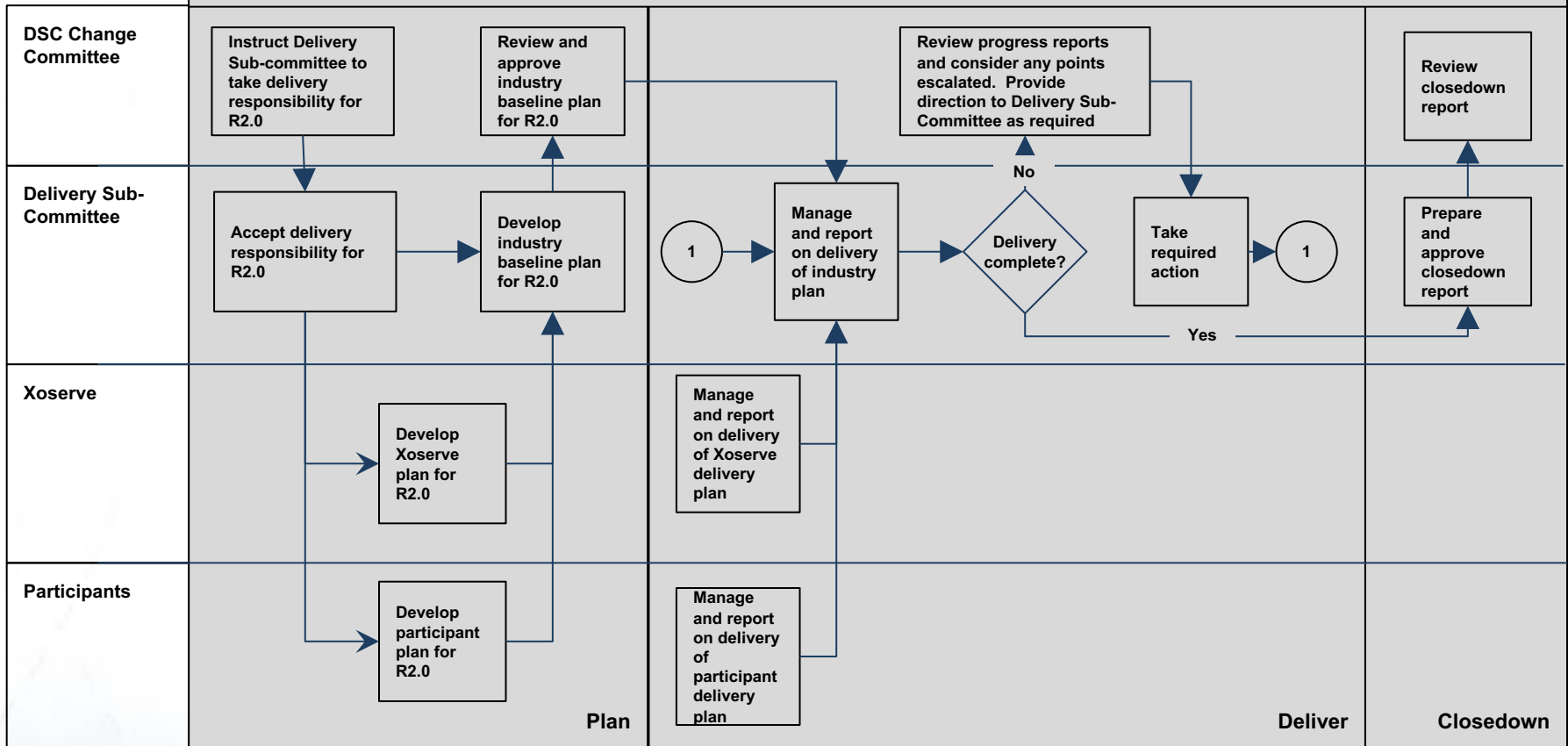
Provide oversight of the prioritisation and deployment of defect fixes and changes to UKLink into the live environment (as per the current DRG).



3. Summary of the proposals

How the proposals would work in practice:

Oversee the industry activities required to deploy R2.0 into the live environment (including industry activities such as market trials)



4. Next steps

The following next steps are proposed

1. Xoserve to identify potential chair
2. Initial meeting to be held to:
 - a. Plan transition from SDG and DRG to the new Sub-Committee
 - b. Agree Terms of Reference to be put forward to DSC Change Committee

In order to save time, the initial meeting could be facilitated by Xoserve/PwC in advance of the chair being appointed.