

Retail Energy Code Company Limited

Quarterly Report

Update on our progress for Forward Work Plan 2024/27

Q1



Welcome to RECCo's first quarterly report

This report provides an update on our progress towards each of the four key priorities outlined in our [Strategy and Forward Work Plan \(FWP\)](#) for 2024-2027.

Our aim is to fully engage all stakeholders throughout the life-cycle of our FWP and create a collaborative and transparent environment in which we can progress and deliver our key priorities. We also want to ensure you are kept up to date with our collective progress and we hope the introduction of this report, along with updates through our other communication channels, achieves that purpose.

At RECCo we procure and manage several REC Services to deliver the requirements of the Retail Energy Code (REC) and support the functioning of the retail energy market.

As part of our service management approach, we monitor and report on our service providers' performance against contracted Service Level Agreements (SLAs) and Key Performance Indicators (KPIs). This ensures our services are working effectively and efficiently and helps us identify and prioritise areas for improvement. This report provides a dashboard view of our core services performance, which we will continue to develop based on your feedback on what you'd like to see.

We continue to work hard to facilitate a better-functioning retail energy market for all consumers, driven by our commitment to continuous improvement. We welcome the opportunity to update you on our progress and encourage you to provide [feedback via this short form](#).



Introduction

In March 2024, we published our Forward Work Plan, which gives a detailed overview of our four strategic priorities for 2024/25.



**Delivering Service
Excellence**



Data & Digitalisation




**Energy Theft
Reduction**





**Regulatory
Programmes**

The first section of this report provides an update on our achievements in the first quarter and outlines our plans for the upcoming period (Q2). Our primary focus remains on enhancing our current services for stakeholders and supporting evolving future needs.


Delivering Service Excellence

Workstream	Outcomes	Q1 Progress	Q2 Focus
Code Management 	Enhance the efficiency and effectiveness of the REC Change Management Process	<p>We have made improvements to REC Schedule 5 (Change management) through REC Change Proposal R0167, to enable a more efficient and streamlined REC Change Process, aligned to valuable feedback and the change team experience of managing the process.</p>	<p>We will create and establish an industry group that will focus and advise on industry change.</p> <p>We will establish detailed REC Change Process reporting to help assess how the change process is performing and what future improvements should be prioritised.</p>
	Grow RECCo Code Manager support resource	<p>We have carried out a review of how Subject Matter Experts (SMEs) can be utilised in the REC Change Process. The review helped identify where gaps exist and we will ensure a wider pool of SMEs are available to help develop more complex solutions.</p> <p>We have also increased the change team resources to expedite the REC Change process. This follows a thorough review of pain points across the process and an assessment of potential remedies.</p>	<p>We will continue knowledge sharing and upskilling of resource with the Code Manager Service Providers including in-house training sessions.</p>
	Optimise REC Service User engagement and accessibility across REC help desks and other advisory services	<p>We have increased the number of our Operational Account Managers (OAMs), so our OAMs have more time to support the needs of stakeholders.</p> <p>We have upskilled our REC service desk staff alongside reviewing and streamlining our service desk processes so we can resolve queries quicker and where possible, first time.</p>	<p>We will develop a Stakeholder insight report which will improve support to the OAMs and how they can effectively manage relationships with REC and Non-REC parties.</p> <p>Work is underway to review the way key messages are delivered to stakeholders, to ensure the most important updates are clearly highlighted to REC Service Users and when they are required to take action.</p>

Workstream	Outcomes	Q1 Progress	Q2 Focus
<p>Code Management</p> 	<p>Improve the REC performance assurance regime aligned to stakeholder feedback</p>	<p>We developed and are implementing a performance assurance improvement plan. We have:</p> <ul style="list-style-type: none"> • Upskilled our OAM's and Service Desk staff to better understand the REC Performance Assurance Framework to better support stakeholders and what is being required of them. • Launched a new initiative of Performance Assurance check-ins for Energy Suppliers to provide more direct, in-depth interactions with the Performance Assurance team. • Reviewed and improved the market entry Training & Guidance process with REC Parties. • Simplified Reporting & Data Submissions by introducing an escalation process to report missing data. • Reviewed and improved the guidance on the Energy Theft Detection Incentive Scheme (ETDIS), helping clarify requirements and timings. 	<p>We will continue to rollout Performance Assurance check-ins over the summer for Energy Suppliers.</p> <p>We will review and agree the priorities for the Performance Assurance Operating Plan which will take effect from September 2024.</p> <p>The Performance Assurance Team will be taking part in our User Experience project, to improve the performance assurance areas within the REC Portal.</p>

Workstream	Outcomes	Q1 Progress	Q2 Focus
<p>Code Management</p> 	<p>Improve the user experience across digital platforms</p>	<p>We have established a User Experience project to deliver improvements across the REC Portal, Digital Navigator and the REC's AI tool, ERIN. We have identified seven work packages which are now in development:</p> <ul style="list-style-type: none"> • Introduction of a mega menu on the REC Portal to improve navigation • Launch of a new REC Portal landing page • Review of online application forms • Review of content across the REC Portal • Improvements to the Digital REC and REC's AI tool ERIN • Improvements to REC Schedules following Release Management • Content and User Interface improvements of the Digital Navigator 	<p>Our procurement activities to support the introduction of a Digital Services Partner will continue. We will establish an Evaluation Panel comprising of industry representatives to assist in selecting a Digital Services Partner.</p> <p>Concurrently, the Stakeholder Advisory Group which was established to support our Code Manager Evolution project will continue to provide valuable support and guidance to the Code Manager Evolution project team.</p>

Workstream	Outcomes	Q1 Progress	Q2 Focus
Enquiry Services 	Enhance RECCo's data management practices	Our activity has focused on the consultation with industry on the REC Change Proposal R0148, which seeks to securely open up the enquiry services data.	Based on the outcome of the R0148 consultation, we will commence work to securely open up the enquiry services data and supporting solution development.
	Improve the capacity and performance of both the electricity and gas enquiry services	<p>By working with stakeholders in 2023, we identified 20 priority changes required to the Electricity Enquiry Services (EES) alongside the need to move the Gas Enquiry Services (GES) to a new data platform to improve capacity and performance. To date, 10 changes to the EES have been delivered and communicated to users.</p> <p>We have commenced the migration to the newer more efficient and robust Gas Enquiry Service (GES) Platform.</p>	<p>We will complete the move to the new GES data platform.</p> <p>We will also continue to make improvements to the capacity and performance for both enquiry services.</p> <p>We will work with stakeholders to identify the longer term requirements for the enquiry services, including the establishment of a new Stakeholder Advisory Group to guide the project team.</p>
	Work to deliver an Open Data approach to enquiry services	We commenced work with our Service Providers to understand how data can be best shared and to ensure the approach is aligned with future Use Cases.	We will continue our work to develop an agreed approach for Open Data sharing across the Enquiry Services Providers and RECCo. Updates will be provided to stakeholders on the progress of this workstream over the coming months.
	Advance security incident management practices	We have created a robust major incident response plan, this will enable us and our Service Providers to work together to communicate and resolve incidents more effectively for our stakeholders.	The newly developed incident response plan will be rolled out and we will ensure it is fully understood across our Service Providers over the next quarter. Ways to test the incident response plan will also be explored.


Workstream	Outcomes	Q1 Progress	Q2 Focus
Switching: Central Registration Services 	Implement recommendations from P1 Major Incident	Following the P1 Major Incident review, we worked with DCC and identified 24 recommendations which were approved by the REC Performance Assurance Board (PAB). To date, 14 recommendations have been put in place.	We will continue to work closely with DCC continue to deliver the remaining 10 recommendations.
	Improve incident and performance management procedures	We have made improvements with a new incident response plan and process. The new process will be closely monitored and continuous improvement will take place.	We will continue to work with DCC to identify and understand what further improvements can be made to performance reporting to drive and support operational improvements.
	Enhance operational ways of working with DCC	We are holding monthly operational meetings between RECCo and DCC to discuss service priorities across the CRS and agree ways of working. Quarterly review sessions have also been established to focus on future planning across the service.	Alongside DCC we will continue to review the effectiveness of the newly established meetings and make changes as required.
	Review governance model and implement improvements	We have tightened governance processes following a robust review. Key changes include having a clear escalation process in place which will allow continuous changes and improvements to be made.	The new governance processes will be reviewed regularly, and changes will be made where required.
	Engage with Ofgem on the separation of CRS from the DCC Licence	We responded in July to Ofgem's consultation 'DCC Review Phase 2: Governance and Centralised Registration Service.' In our response we outlined that we fully support Ofgem's view that there is sufficient reason to transfer responsibility for the delivery of the CRS to RECCo. You can read our response here .	Ofgem will continue to work through the decision process on the potential separation of CRS from the DCC licence. During this time, regular tripartite meetings will continue to take place between RECCo, Ofgem and DCC. We will also continue to develop the transition plan for potential transfer, working with the newly established Switching Stakeholder Advisory Group.


Workstream	Outcomes	Q1 Progress	Q2 Focus
Our People ●	Launch a comprehensive programme to enhance team capabilities	<p>We have established a project to review our Target Operating Model in light of the changing energy landscape, including code reform. This project will include conducting a comprehensive needs analysis across the organisation. Our aim is to identify areas for development and create tailored upskilling plans to enhance colleagues capabilities over the next year.</p>	<p>We will continue efforts to conduct a comprehensive needs analysis across all departments, paving the way for tailored upskilling plans aimed at enhancing organisational capabilities.</p>
	Introduce new initiatives to support physical and mental health	<p>We launched our first employee engagement survey in February 2024, which resulted in the creation of a People action plan for 2024/25. This includes development of employee initiatives and support across areas of physical and mental health. These initiatives include wellness workshops, mental health awareness sessions, and access to resources promoting work-life balance.</p>	<p>We will further develop our health and wellness initiatives by implementing new and improved employee support schemes for areas such as bereavement, menopause and fertility treatment.</p>

Data & Digitalisation ● ● ● ● ●



Workstream	Outcomes	Q1 Progress	Q2 Focus
Consumer Consent	Continue to support Ofgem and DESNZ in their development of policy on Consumer Consent	We submitted a response to Ofgem's call for input on a consultation detailing why the REC and RECCo should be considered for both the governance and delivery of Consumer Consent for retail energy industry data. The key reason being that the policy aligns with the REC's core objective to protect consumer data. We also have experience of delivering successful projects for both consumers and industry.	We will respond to Ofgem's second Consumer Consent consultation which is expected in August.
Data Access	Improve REC alignment with Ofgem's Data Best Practices	We carried out a consultation to identify how best to align with Ofgem's Data Best Practice. The findings will result in a REC Change Proposal for stakeholder consideration.	We will continue to develop a REC Change Proposal ahead of raising it into the REC Change Process.
API Gateway	Implement changes to RECCo's enterprise architecture, including implementing an API gateway	We selected and are implementing an API gateway solution - Kong Konnect. The first use case expected to utilise the API gateway is future digital services updates for the REC Portal and EMAR.	We will continue the implementation of the API gateway solution.
Data Security	Strengthen RECCo's system security	We conducted penetration testing across our systems. We are reviewing the actions and developing an action plan for improvements.	We will be implementing changes following the results of the penetration testing.
User Experience	Continue to develop AI capability	We have gathered data on the current use of the REC's AI tool ERIN to develop a roadmap of improvements to encourage usage and develop better quality responses.	We will develop and start to implement the improvements roadmap.



Energy Theft Reduction

Workstream	Outcomes	Q1 Progress	Q2 Focus
Energy Theft Reduction Programme 	Improve the efficacy of the incentives scheme	<p>We have established a Theft Issues Group, which works with stakeholders on a range of issues and looks at the Theft Detection Incentive Scheme and wider theft arrangements. A selection of the most impactful recommendations are being developed and may become REC Change proposals.</p>	<p>A selection of the most cost-effective recommendations will be taken forward as REC Change Proposals and they will be raised by the end of Q2.</p>
	Develop a portal to improve industry-wide data sharing	<p>We have signed a contract with Detertech to produce and deliver a theft data portal to facilitate data sharing and insights with REC Parties and wider stakeholders.</p> <p>We have collaborated with two Energy Suppliers to overcome GDPR issues and share smart meter data.</p>	<p>We will launch a beta version of the Detertech Portal which will be soft-launched with members of the Energy Theft Reduction Expert Group.</p> <p>Based on initial user feedback and potential new data feeds, we will plan a wider launch of the Theft Portal.</p> <p>We will analyse the data sets from the two Energy Suppliers (and if a possible a third). We will endeavour to confirm this data alongside confirmed theft data to identify relevant trends and potential red flags. We will report our findings when completed.</p>

Workstream	Outcomes	Q1 Progress	Q2 Focus
Energy Theft Reduction Programme 	Consult on a proposal for a dedicated police unit to tackle energy theft	We consulted on the Strategic Outline Case to fund a police unit. The responses show there is strong support for the proposed unit.	We will complete the Outline Business Case and issue a further consultation.
	Progress recommendations of the end-to-end process review	We have considered each of the recommendations within the end-to-end process review. Relevant actions have been included within their wider theft reduction programme. One example is we have engaged with both Xoserve and Elexon to discuss possible modification to the UNC and BSC. This will help to improve the way volumes of stolen energy are captured within settlement processes.	We will publish a full update on the progress of recommendations on the end-to-end process review.

Regulatory Programmes & Policy Delivery

Workstream	Outcomes	Q1 Progress	Q2 Focus
Market-wide Hourly Settlement 	Deliver six core workstreams (code drafting, qualification, design changes, testing, operational readiness and stakeholder engagement) to support the successful implementation of MHHS	<p>We have completed all code drafting tranches with Map Up 2 approved by the Cross Codes Advisory Group.</p> <p>The Electricity Enquiry Service (EES) has completed SIT Functional Cycle 1 and entered Cycle 2 and SIT Migration testing.</p> <p>Our Qualification Approach and Plan v2 and Qualification Assessment Document v1 was approved. Pre-Qualification Submission (PQS) responses were also received and processed.</p>	<p>We will submit a consultation response for the Code drafting. This will form part of the Significant Code Review (SCR) modification process.</p> <p>EES to complete SIT Functional Cycle 2 and SIT Migration testing.</p> <p>We will continue development of the Qualification Testing Scope and publication of the Qualification Wave allocation.</p>
Code Reform and Licensing 	Engage with and implement code governance reform	<p>We submitted a comprehensive response to both Ofgem and DESNZ consultations. We have continued to engage with both parties.</p>	<p>We will continue to work with Ofgem and DESNZ both informally and through the working group.</p>
	Undertake preparation and process to acquire Code Manager licence	<p>We have undertaken a full review of the Licence conditions and we are awaiting next steps from Ofgem to assess the full impact it will have on us.</p>	<p>We will proceed to the next step once feedback has been received from Ofgem.</p>

Workstream	Outcomes	Q1 Progress	Q2 Focus
Tariff Levelisation 	Deliver payment levelisation reconciliation from 1 April 2024	We successfully delivered the first billing cycle on time and on budget. We have now exited early life support.	We will focus on the design, build and test of a solution that will deliver a multi-phase meter capability system as an extension to the existing prepayment levelisation scheme arrangements.
	Assess impact of standing charge levelisation to inform future policy development	We completed the impact assessment.	We will engage with Ofgem to agree requirements for the planned introduction of “volume” based levelisation from April 2025.
Third-party Intermediaries 	Develop assurance and accreditation processes for the TPI Code of Practice	We have raised REC Change Proposal R0137 to change the status of the TPI CoP, which will mandate that non-domestic suppliers use only a TPI that has been accredited as adhering to the code.	R0137 will be issued first for a Party Impact Assessment and subsequently full consultation, before being submitted to the Authority for decision in Q3.

REC Services SLAs & KPIs

At RECCo we continually strive to deliver the best service for stakeholders, collaborating with our Service Providers to meet Service Level Agreements (SLAs) and Key Performance Indicators (KPIs).

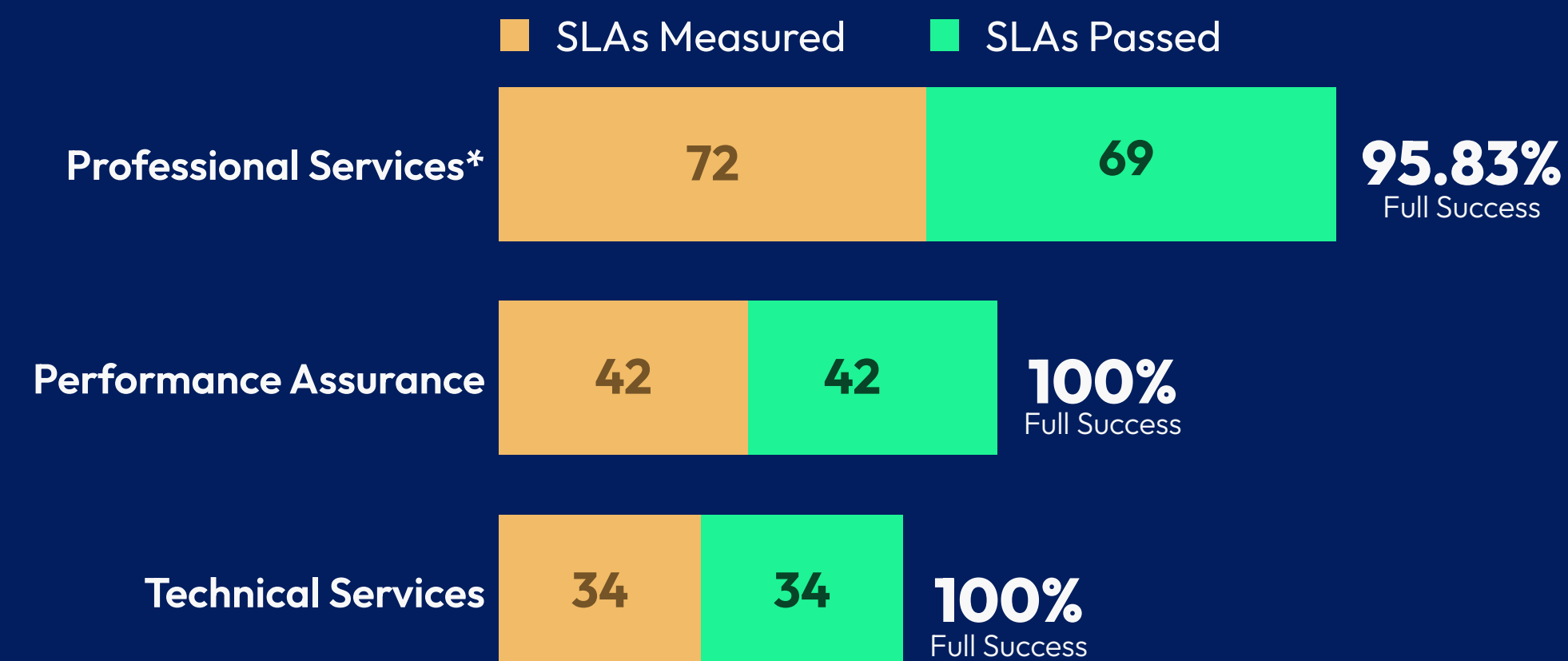
The new dashboards demonstrate the performance of the core REC Services. As we develop the Quarterly Report, please look out for future updates covering additional REC Services topics such as switching and metering.



Code Manager Service Provider Performance

SLA Success Rate

Our Service Providers have delivered to an extremely high standard this quarter, with no service failures that have resulted in Service Credits.



The SLA Success score summarises the Service Provider's success in meeting measured SLAs within the quarter based on a simple pass/fail mechanism.

* These failed SLAs were outside of the Service Provider's control.

Service Credits is a mechanism to incentivise our Service Providers to meet the needs of users and preserve value for money on behalf of industry. Having confidence that our Service Providers are delivering a strong service allows us to focus on developing and delivering more targeted improvements in line with evolving user needs that will bring broad and lasting benefits to market participants.

Code Manager Activities

Q1 Party Interactions



OAM
Meetings

255



Code Manager
Events

6



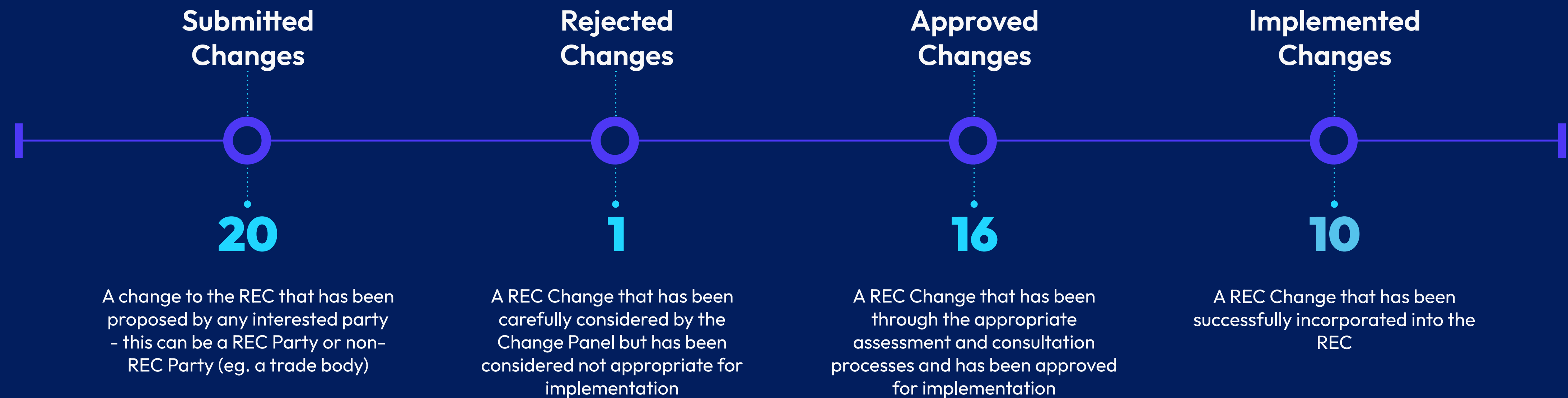
Committee
Meetings

27

New REC Parties **14** Market Exits **4**

Code Manager Activities

Change Management



Electricity Enquiry Services (EES)

SLAs Measured

132

SLAs Passed

131

No Fault Fails¹

1

Full Success

99.24%

EES Availability

100%

Incidents²

158

Response

100%

Resolution

100%

Controlled Success:³ 100%

¹ Where a Service Provider has missed a KPI but **could not have prevented this failure occurring**.

² Of the 158 incidents, 4 related to Switching (2xP3 & 2xP4). The remaining 154 were all P3s & P4s.

³ The success rate of a Service Provider meeting KPIs, excluding any no-fault fails.

Gas Enquiry Services (GES)

SLAs Measured

81

SLAs Passed

75

No Fault Fails¹

6

Full Success

92.59%

GES Availability

100%

Incidents²

99

Response

100%

Resolution

100%

Controlled Success:³ 100%

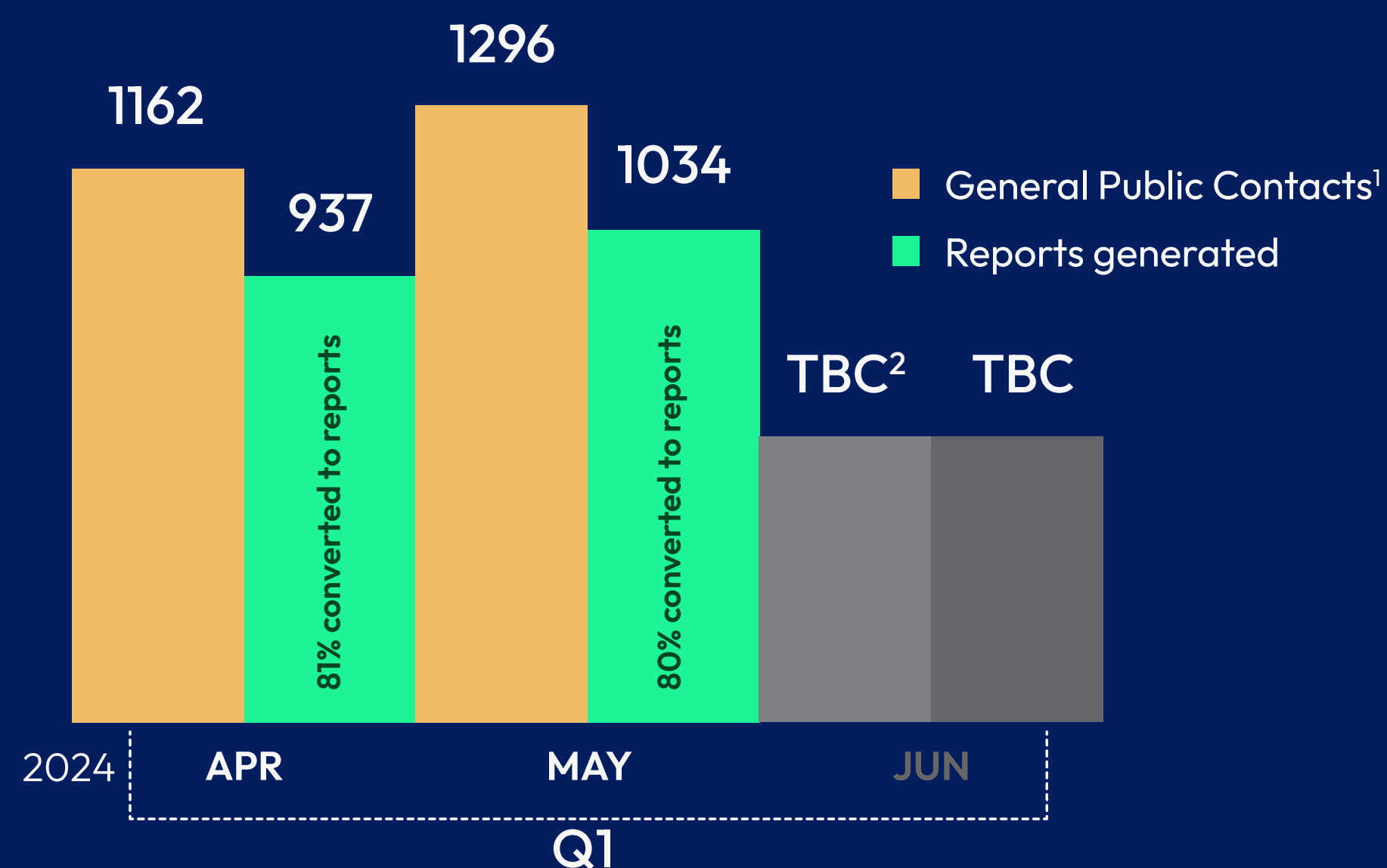
¹Where a Service Provider has missed a KPI but **could not have prevented this failure occurring**.

²Of the total incidents, 1xP2 - global Microsoft issue (resolved by Microsoft). All remaining incidents were P3s and P4s relating to the GES application.

³The success rate of a Service Provider meeting KPIs, excluding any no-fault fails.

Energy Theft Tip-off Service (ETTOS)

Q1 Tip-offs to Crimestoppers



Quarterly Marketing Activity

Energy theft is a growing problem, affecting landlords, tenants and businesses. It can be highly dangerous and difficult to detect.

In June, Becky Holland & Partners (BH&P), our marketing agency, created a comprehensive guide to energy theft for landlords. This has been published on the [Stay Energy Safe website](#) which works in partnership with Crimestoppers.

The guide details what landlords need to know to keep their property safe and compliant with the law, their responsibilities, how to spot the signs of energy theft, and the steps to take if they suspect their tenants are committing energy theft.

104 organisations have opted to register for the Stay Energy Safe Partner Portal – giving them access to theft reduction marketing material and social assets.

¹General Public Contacts are tip-offs made via the Crimestoppers or Stay Energy Safe phone-line and website

²June figures will be confirmed in mid-August.

Payment Method Levelisation

In February 2024, Ofgem confirmed that measures would be introduced to ensure that prepayment (PPM) and direct debit customers under the price cap would pay the same standing charge, known as ‘levelisation.’ The new price cap impacted 39.95 million prepayment meter customers.

For suppliers they are required to charge direct debit customers more whilst discounting prepayment meter tariffs. However, a reconciliation method must be in place as the payment method split is different for each Supplier’s portfolio. This is so Suppliers with higher-than-average PPM consumers can be credited, whilst those with fewer-than-average can be debited. We are pleased to confirm 100% of invoices were paid in the first quarter.

Q1 Total invoices issued: **£16m** Invoices paid on time: **100%**

Earlier this year, we published a guide to the scheme, which you can read [here](#)

An aerial night view of a city street. The scene is dominated by a large, multi-story building with a dark, textured facade. In the foreground, there is a circular structure, possibly a fountain or a public art installation, with a grid-like pattern on its top surface. The street is illuminated by streetlights, and a few cars are visible. The overall atmosphere is dark and urban.

Thank you for reading our first Quarterly Report, we hope you found it useful. Please reach out to us with any [feedback](#) or complete our brief [survey](#).

We will be in touch in the autumn to share our Q2 update.

