

PAB234/02– BSC AUDIT PEER COMPARISON 2019/20

MEETING NAME	Performance Assurance Board
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Date of meeting	30 July 2020
Paper number	PAB234/02
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Purpose of paper	For information
Classification	Public
Summary	The BSC Audit Peer Comparison provides a score for each Party and Party Agent based on the number of Audit Issues raised against them, the age of the Issue and the Issue rating (high, medium or low).

1. Background

- 1.1 This paper sets out an anonymised list of audited Performance Assurance Parties (PAPs). Their ranking is based on the severity of their BSC Audit Issues and how long those issues have been outstanding. This paper also provides a view as to the performance of various segments of the market from the perspective of the BSC Audit.
- 1.2 Discussion around the BSC Audit Peer Comparison will take place both in the public and confidential sessions of the July PAB meeting.

2. Explanation of Terms and Methodology within the Audit Peer Comparison tables

High, Medium and Low Audit Issues

- 2.1 The BSC Auditor rates the Audit Issues as either High, Medium or Low based on a number of factors including, the likelihood of the issue to result in material Settlement impact and the level of such materiality.

Formula for Ranking Score

- 2.2 Score for each category (High, Medium and Low) is 'Number of Audit Issues' x 'Weighting' x 'Average Age'. The 'Total Score' is the sum of the scores received for each category.

Conditional Formatting

- 2.3 Individual role tabs in the attached spreadsheet have conditional formatting applied such that the lowest scores (least issues) are coloured green with the highest scores (most issues/oldest issues) coloured red with the middle percentile coloured yellow. This is to make comparison of performance within a given role easier.
- 2.4 The 'Role Comparison' and 'Worst Performers' tabs use conditional formatting with scores and average ages coloured using the same gradient. We have applied this approach across the total population to show the comparative scores across all roles and Parties.

3. Use of BSC Audit Peer Comparison

- 3.1 This information is presented for the PAB's information. This data will also feed into Elexon's ongoing review of the BSC Audit Scope.
- 3.2 Additionally, the anonymous version of the BSC Audit Peer Comparison table will be published on the Elexon website with the confidential PAP references sent out to each PAP so they are able to identify where they fall in relation to other PAPs within scope of the BSC Audit.

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4. Recommendations

4.1 The PAB is invited to:

- a) **NOTE** the BSC Audit Peer Comparison for 2019/20.

Attachments

Attachment A – BSC Audit Peer Comparison 2019/20 Non-Confidential

Attachment B – BSC Audit Peer Comparison 2019/20 by Organisation

For more information, please contact:

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