
Annual Performance Assurance Timetable Revision

Date of meeting **31 March 2022**

Paper number **PAB254/05**

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Purpose of paper **Decision**

Classification **Public**

Document version **1.0**

Summary This paper proposes a new Annual Performance Assurance Timetable (APAT) to allow the most up to date results of detective Performance Assurance Techniques (PATs) to be reflected in the annual Risk scoring recorded in the Risk Evaluation Register (RER) and subsequent Risk Operating Plan (ROP).

Introduction

In order to evaluate a Risk to Settlement effectively, the Risk Owner should re-score a Risk using the current Risk Evaluation Methodology (REM) and also review the results of the PATs that have been deployed to monitor it in the most recent Performance Assurance Operating Period (PAOP).

The re-scored Risks should be included in the RER, which is a key input into the ROP that is subsequently produced for the following PAOP.

The ROP determines the areas of focus for the PAOP, including which Risks are in focus and which PATs should be deployed to monitor and mitigate them.

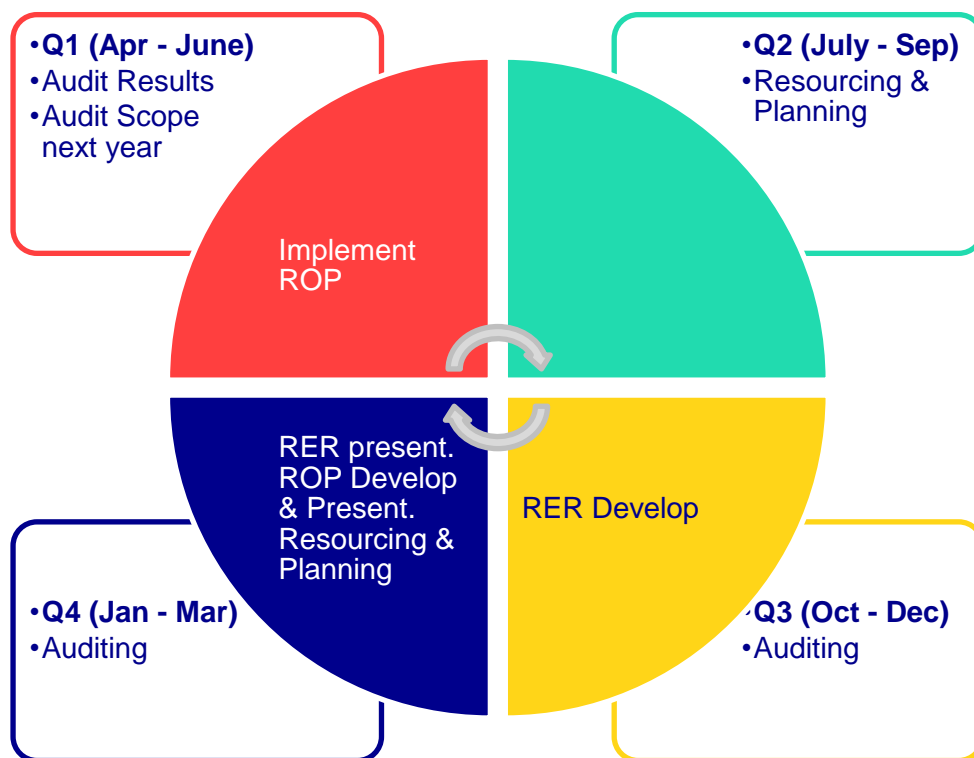
The timings of when the RER and the ROP are produced are recorded in the APAT (a timeline for producing the yearly cycle of Performance Assurance Documentation). The APAT was last reviewed and approved by the PAB in 2019 and remains active until its next review, where the PAB will approve a new timetable.

The Elexon Assurance Team has reviewed the current APAT and determined that it does not allow for the most up to date PAT outputs to be included in the Risk evaluations in the RER and the subsequent ROP due to the time of the year that they are produced.

This paper recommends that the PAB approves a new timetable to amend the dates for producing the RER, the ROP and the Technical Assurance of Metering (TAM) and BSC Audit Scopes. The new timetable will allow the audit results to be utilised to more accurately evaluate the Risks that they are deployed against.

Current timetable

The current APAT structure requires the RER to be created between November and January. The ROP is then created between January and March, to be implemented in April. It is not currently possible to utilise the most up to date BSC Audit and TAM results as their annual reports are produced in May. Using the current timetable, it is only possible to include the results of the two PATs from the previous PAOP, which are not reflective of the current market conditions.



Proposed timetable

The proposed changes to the APAT would move the creation of the RER to the second quarter to be presented to the PAB in September. The consultation period for the RER would be in October for final approval by at the November PAB. The ROP would be drafted and presented to the PAB in December. The consultation period for the ROP would be extended to February, with the ROP being finalised at the February PAB meeting to be adopted by the PAB in April for the new PAOP.

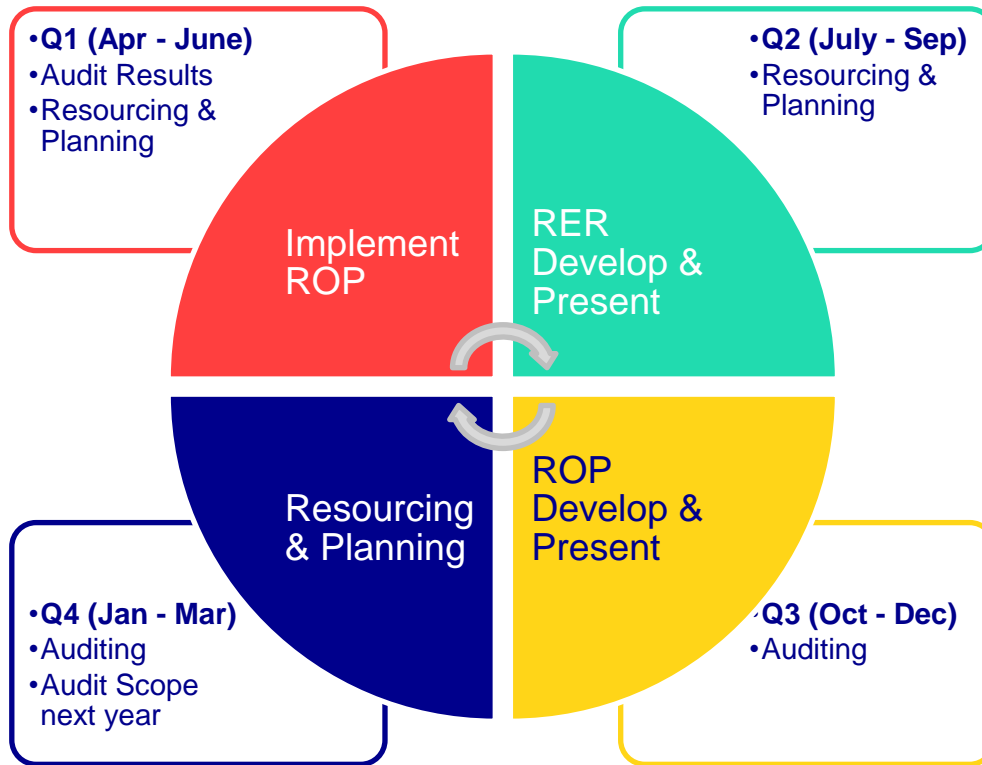
We also recommend that the BSC Audit Scope and TAM Audit Scope are moved to the fourth quarter (to be presented to the PAB in February). Moving the audit scope papers will introduce the following benefits:

- The focus Risks as determined by the ROP will feed into the audit scopes; and
- There will be more time available for the development of the Audit scopes and planning and resourcing for the following year.

These changes encourage more streamlined approach for the PAOP. The Assurance team will be immediately reactive to the Audit results to feed into the RER and ROP.

Subsequently, other PATs will also benefit from the increase in planning and resource time. The earlier site of the focus risks for the following year will increase the time to scope any required Technical Assurance of Performance Assurance Parties (TAPAP) increasing the amount of potential TAPAPs to be completed in the PAOP.

Finally, the creation of the RER and the ROP would move to the summer and autumn months as opposed to the Christmas and winter months. Internally there is challenge to meet with all relevant Subject Mater Experts (SME) and Risk Owners during Christmas holidays, we believe that the move to the summer and autumn months would mitigate this challenge.



To implement this change the APAT would need to be revised, the revised version can be found in as an attachment to the paper.

Recommendations

The PAB is invited to:

- a) **APPROVE** the proposed Annual Performance Assurance Timetable (APAT).

Attachments

Attachment A – **Annual Performance Assurance Timetable (APAT) Draft**

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