



BSCCo Business Strategy and Budget 2014/15: Strategic Priorities and Timetable

Meeting Name	BSC Panel
Meeting Date	14 November 2013
Purpose of paper	For Decision
Summary	This paper describes the strategic priorities that will be the basis for the 2014/14 BSCCo Business Plan. The paper also sets out the timetable and process that will be used for producing the business plan, as well as inviting the Panel to agree to vary the timetable for production and approval of the BSCCo Business Strategy.

1. Introduction

- 1.1 Every year, the BSCCo Business Strategy and Budget (which in combination form the Business Plan) are constructed around a set of strategic priorities. These priorities should represent ELEXON's response to the challenges and opportunities facing our customers and the wider industry, based on an assessment of a range of factors, including: our customers' views and expectations of our services; market developments; the evolving technology landscape; our past achievements and results; and the current economic conditions and outlook.
- 1.2 The timetable and steps associated with the production of the BSCCo Business Strategy and Budget are set out in the BSC. They cater for Panel approval of the strategy and Board approval of the budget by 1 March (but with scope for the BSC Panel varying that timetable) and include time for the industry to review and comment on both.

2. Strategic priorities

- 2.1 For the past three years the BSCCo Business Strategy has been developed from our mission and vision. We believe the mission and vision are still applicable and that the 2014/15 BSCCo Business Strategy should continue to reflect them:

BSCCo Mission

To deliver the BSC effectively, efficiently and economically, to the benefit of our customers.



BSCCo Vision

To be a leader in the efficient transformation of energy markets by providing shared solutions to address common industry problems.



2.2 As in previous years, the BSCCo Business Strategy will focus on delivery of the core BSC services. To fulfil the BSCCo's mission, we will:

- **Actively manage, and continually improve, BSC services to ensure that we deliver in an efficient, effective and economic way (Priority 1).**
- **Drive efficiencies and savings in the operation of the BSC (Priority 2).**
- **Improve the customer experience and develop richer customer relationships (Priority 3).**

2.3 To support achievement of the BSCCo's vision, we will:

- **Develop services to address industry challenges (Priority 4).**

2.4 To support both the mission and vision, we will:

- **Invest in our people for the benefit of the industry (Priority 5).**

2.5 The BSCCo Board has agreed that the strategy and budget should be developed based on these five strategic priorities. The strategy will focus on delivery of BSC activities and horizon scanning, and also include reference to the fact that ELEXON will be undertaking EMR work for DECC (and that all costs associated with this will be covered by the grant that DECC has put in place).

3. Timetable

3.1 The suggested timetable for the production of the business plan is the same as that which we've followed in previous years:

Table 1: Proposed timetable

Date	Activity
4 December	Board review of draft strategy + budget and approval to submit strategy to the BSC Panel.
12 December	Panel approval of draft strategy for publication.
16 December – 17 January	Draft strategy + budget published for industry review and comment.
5 February	Board review of industry comments, consideration of amendments to the strategy and approval for presentation to the Panel.
13 February	Panel review of industry comments, consideration of amendments to the strategy and approval of final version.
5 March	Board approval of budget.

- 3.2 During December and January we will engage with BSC Parties on the strategy and budget. We intend to use a mixture of workshops and individual meetings to respond to questions and explain elements of the strategy and budget.
- 3.3 The period between 17 January and 5 February is factored into the timetable to enable ELEXON to review and respond to any comments received; to make changes to the strategy and budget to reflect industry comments; and for the ELEXON Executive to review the proposed amendments to the strategy and budget before the final version is presented to the Board (paper day: 29 January).
- 3.4 This replicates the process and timetable endorsed by the Panel in previous years. However, it is different to that prescribed in the BSC¹. Consequently, as in previous years, and in accordance with BSC Section C6.3.3, we are seeking Panel consent to vary the timetable specified by the BSC.

4. Recommendations

- 4.1 The Panel is invited to:
- a) **NOTE the mission, vision and strategic priorities described in this paper as the basis of the 2014/15 BSCCo Annual Business Strategy;**
 - b) **NOTE the proposed timetable; and**
 - c) **CONSENT to varying the timetable for approving the Business Strategy.**

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¹ The BSC (C6.3.1) states that the BSCCo shall:

- not later than 1st February in the preceding BSC Year, after considering all comments received by BSCCo, prepare and provide to the Panel a revised draft of the Business Strategy together with a summary of the comments received on the initial draft; and
- not later than 1st March in the preceding BSC Year, after discussing the draft with the Panel, make such further revisions to the draft Business Strategy as the Panel may consider appropriate having regard to the functions and responsibilities of BSCCo and the objectives in Section B1.2.1, and finalise and subject to the approval of the Panel adopt the Business Strategy.