

HEADLINE REPORT

MEETING NAME ELEXON BOARD MEETING

Meeting number EB187

Date of meeting 31 May 2017

Purpose of paper This report sets out the headlines and key decisions of the most recent meeting of the ELEXON Board.

Classification Public

1. REPORT OF AUDIT AND RISK COMMITTEE TO THE BOARD

1.1 The Board noted the report from the Audit and Risk Committee which included updates on:

- plans for the procurement of a new external statutory auditor;
- the recruitment of a further internal audit resource;
- changes to the financial statements agreed by the Committee

2. APPROVAL OF FINANCIAL STATEMENTS

2.1 The Board resolved to approve the Annual Report and Financial Statements for 2016/17 and to delegate the authority to sign the document (as appropriate) to the Chairman, the Chief Executive and the Company Secretary. The Board also resolved to approve the signing of the Letter of Representation and the Statement of Going Concern and delegated the authority to sign both documents to the Chairman.

3. CHIEF EXECUTIVE'S REPORT

3.1 This paper presented an overview of the activities of, and developments within, ELEXON for the period from 21 April 2017 to 19 May 2017.

3.2 The paper included updates on:

- BSC operational matters (including updates on credit defaults, P325, P344, Market Entry, Executive engagement with BSC Parties, Trading Disputes and an update on EMR activities);
- Design authority (including updates on embedded benefits, mandatory half hourly settlement, faster and more reliable switching, demand side flexibility and smart grids and recent consultation responses);
- Design and Delivery matters (including the status of all current projects –June 2017 Release, November 2017 Release and the P350 TLFA Procurement, the website redesign project, the TAA re-procurement project and the Performance Assurance Framework review);
- Strategic developments that may impact ELEXON and the BSC including European developments (including, inter alia, Brexit and the Guideline on Electricity Balancing) and an analysis of the manifestos for the forthcoming General Election.
- The paper included a report on the recent Wannacry ransomware attacks which had not affected ELEXON.
- The paper also included the latest company monitoring report which summarised ELEXON's KPI performance for April 2017.

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4. FINANCE REPORT

- 4.1 This paper informed the Board of the financial position of ELEXON for April 2017 including the main variances in the current month as well as identifying the full year forecast against budget. The report also includes updates on staff turnover and staff sickness figures.

5. PROJECT DELIVERY UPDATE

- 5.1 This paper reported to the Board on various opportunities that had been identified to improve ELEXON's project delivery capability and updated the Board on the steps that had been taken, or were in progress, in respect of these opportunities.

6. ANNUAL SALARY REVIEW

- 6.1 This Paper set out the proposed July 2017 annual pay review for ELEXON employees and referred to the detailed analysis which had been undertaken. The Board considered the analysis undertaken of national inflation forecasts and industry pay settlements and noted that the proposed ELEXON pay review took into account benchmarking from industry stakeholders, inflation and cost of living.
- 6.2 The Board approved the salary review proposal.

7. HEALTH AND SAFETY UPDATE

- 7.1 The Board noted the actions in respect of health and safety taken during the previous six months and the future plans and actions for improvements to health and safety.

8. AOB

- 8.1 There being no further business the meeting was closed.