

Appointment of Chair, Performance Assurance Committee for Non-Household Water Market

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Reference: QAOKM



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An introduction

The Strategic Panel is the non-household water market's most senior industry group. It provides strategic direction and oversees programmes of work to improve market, customer, and environmental outcomes.

Core to the Strategic Panel's role is to transpose the strategic directions set by Ofwat (the regulator) and Defra (Department for Environment, Food and Rural Affairs) into actions and programmes of work for MOSL (the market operator) and its members. Its members are the water companies – as known as wholesalers – and retailers who operate in the business water market. The Panel also has a number of Committees responsible for progressing workstreams aligned to the Panel's priorities. This includes a Code Change Committee responsible for reviewing and making recommendations to improve the market codes, and the Market Performance Committee (being replaced by the Performance Assurance Committee) overseeing market performance. The Panel is made up of highly experienced independent members and senior leaders from wholesalers and retailers.

The Performance Assurance Committee will be responsible for recommending monitoring performance in the non-household water market, holding companies to account to bring about improved customer outcomes and sustainable customer benefit.

It is a delegated committee of the Strategic Panel for the non-household water retail market (the market) that will report to the Strategic Panel but make decisions autonomously (including recommendations for Ofwat).

The Committee has delegated objectives, roles and responsibilities from the Strategic Panel. These include:

- Providing oversight of the effectiveness of the non-household market by monitoring and measuring the delivery of key market activities, particularly those that affect the service received by end customers
- Ensuring that Trading Parties' performance is monitored objectively and where performance falls below target levels, that appropriate and effective rectification measures are put in place
- Approving and monitoring the use of Key Performance Indicators, Additional Performance indicators and Market Indicators for the non-household market to drive improvements in performance
- Ensuring Trading Parties are compliant with code obligations through the use of Audits carried out by the Market Operator (or a trusted third party)
- Ensuring compliance of the Market Operator's activities which support the delivery of central market processes and the implementation of the Market Performance Framework
- Ensuring that levels of governance provide sufficient oversight and resource.
- Reporting to the Strategic Panel on progress delivering agreed strategic priorities.

The guiding principles of the governance framework for the non-household market are to:

- Have a framework that is focussed on the market's key risks and issues whilst being clearly defined, agile and as 'light touch' as possible
- Support the evolution of the non-household market without creating unnecessary constraints or interfering with market forces
- Promote and enable market self-governance by having both Trading Party expertise, as well as customer and other stakeholder experience on the relevant governance committee(s)
- Obtain insights from independent members to ensure that decisions are holistic, robust, balanced (i.e. do not favour any one Trading Party or wholesalers/retailers) and learn lessons from other sectors
- Ensure decisions are delegated as 'close to ground' as appropriate to help facilitate timely decisions and effective use of resources
- Provide timely translation of strategic direction into practical application



The Performance Assurance Committee is being introduced as a result of Change Proposal [CPM058a & CPW149a: 'Market Performance Framework Reform'](#).

The Performance Assurance Committee, supported by the Market Operator, shall ensure that its activities are managed and planned to ensure the efficient and comprehensive delivery of these activities. It will advise the Strategic Panel of progress and any material delay or shortcomings against its delegated role and implied activities.

The Performance Assurance Committee will comprise of:

- one (1) Performance Assurance Committee Chair
- three (3) Retailer Trading Party Performance Assurance Committee Members
- three (3) Wholesaler Trading Party Performance Assurance Committee Members
- two (2) Independent Performance Assurance Committee Members
- one (1) Customer Representative Performance Assurance Committee Member.

Representatives from MOSL (the Market Operator) and Ofwat are non-voting, affiliated members of the Performance Assurance Committee.



The role

The Performance Assurance Committee Chair must have the ability and gravitas to lead and effectively chair the Performance Assurance Committee whose role is to assess and monitor performance across the market, using a range of tools and metrics for the delivery of improved outcomes and clear benefits for non-household customers and in line with the strategic direction set by the Strategic Panel.

The Chair should be experienced in facilitating decision-making at a senior level to support the consideration and prioritisation of performance management that will better deliver against defined strategic outcomes. In establishing the new Performance Assurance Committee, they will be expected to consider how to work with the Market Operator, Regulator, Trading Parties and Customer Representatives to develop the monitoring of performance of the non-household market using Key Performance, Additional and Market Indicators and assessing the behaviours of Trading Parties against metrics to develop the Market Performance Framework. All Performance Assurance Committee members should put the customer at the heart of their discussions and decision-making in line with the Market Arrangement Code (MAC) Principles and Definitions (Schedule 1, Part A, 1.2). The Chair must support and encourage effective and efficient delegation. They should set the standards for the Committee to exercise best practice in corporate governance and create the Committee culture that can best deliver improved customer outcomes.

The Chair should put the customer at the heart of Performance Assurance Committee discussions and decision-making.

The Chair of the Performance Assurance Committee must be sufficiently independent of any Wholesaler Member, Associated Retailer Member, Unassociated Retailer Member or an associated company of these.

Key responsibilities:

The Performance Assurance Committee Chair is a voting member of the Performance Assurance Committee. They must act impartially and provide strong, effective leadership of the Performance Assurance Committee:

- Ensuring that the agenda of Performance Assurance Committee meetings is appropriately focused and that meeting protocols are adhered to.
- Chairing discussions of the Performance Assurance Committee to reach timely and robust decisions while encouraging active engagement by all Performance Assurance Committee members.
- Creating an environment with strong working relationships and where challenge and scrutiny are encouraged.
- Exercising their own, independent, expert judgement to challenge and assess performance and to provide input, with other members of the committee, as to the development and implementation of Key Performance Indicators, Additional Performance Indicators and Market Indicators.
- Following due process, thereby enabling the Strategic Panel, Market Participants and Ofwat to place reliance on the work of the Performance Assurance Committee.
- Acting as spokesperson for the Performance Assurance Committee and inspiring stakeholder confidence.
- Ensuring the Performance Assurance Committee has effective two-way communication with key stakeholders including the Strategic Panel, Trading Parties, MOSL and Ofwat.
- Supporting the Secretary and other members by providing independent and expert advice, support and feedback – including on a one to one and/or confidential basis as appropriate.
- Participating in any Performance Assurance Committee induction, training and evaluation identified as an individual Performance Assurance Committee member.

Person specification

Qualities and experience

The Performance Assurance Committee Chair must have a desire to positively influence the business retail water market to deliver in the best interests of existing and future non-household customers.

- They should carry the gravitas and credibility to command the confidence of market participants, with previous experience of chairing forums, committees or industry groups.

Independent Performance Assurance Committee Members should:

- act impartially and objectively, in the best interests of the market and existing and future non-household customers
- bring a diverse, forward thinking and challenging perspective to Performance Assurance Committee deliberations and decision-making
- encourage and facilitate constructive challenge and engagement from all stakeholders
- help the Performance Assurance Committee to operate efficiently and reach objective, evidence-based decisions that deliver benefits to customers.

They should be:

- able to chair a meeting effectively
- excellent communicators
- able to assimilate complex issues and information to analyse, question and challenge constructively
- able to motivate and engender respect by setting the right example, calling out poor behaviours if necessary
- able to facilitate productive and inclusive discussion
- collaborative by instinct

They should have:

- experience of chairing a forum, committee or group
- excellent decision-making skills with a proven ability to exercise sound, impartial judgement, exercised at senior level.
- keen influencing skills with the ability to reconcile diverse demands of conflicting interests
- an open and collaborative style with the ability to win the confidence of multiple, diverse stakeholders in the market
- relevant experience of similar market operator functions and/or utilities markets (e.g. relevant expertise in consumer advocacy, policy, economics, regulation, law or governance from water or non-water industries)
- ideally experience of working with a customer forum / representative.

Terms of appointment

The expected time commitment will be c26 days during year one of the three year term, dropping to c13 days a year for years two and three. This commitment includes attending and preparing for monthly meetings plus occasional workshops in London or Southampton.

The appointment is for a fixed term which shall expire no more than three years from and after the expiry of the Transitional Period (as defined in the Market Arrangements Code) with the possibility of re-appointment at the end of this term.

The position will be remunerated at an annual salary of £15,000 per annum. This takes into account the average days over the full contract term of three years.

Reasonable travel expenses will be paid.

The Performance Assurance Committee Chair is appointed by the Strategic Panel.

How to apply

Saxton Bampfylde Ltd is acting as an employment agency advisor on this appointment.

Candidates should apply for this role through our website at www.saxbam.com/appointments using code **QAOKM**.

Click on the 'apply' button and follow the instructions to upload a CV and cover letter, and complete the online equal opportunities monitoring* form.

The closing date for applications is noon on **Tuesday 20th August 2024**.

** The equal opportunities monitoring online form will not be shared with anyone involved in assessing your application. Please complete as part of the application process.*





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