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Dear Jonathan,

Microbusiness Strategic Review - Statutory Consultation

Drax Group plc (Drax) owns two retail businesses, Haven Power and Opus Energy, which together supply renewable electricity and gas to over 350,000 business premises. Drax also owns and operates a portfolio of flexible, low carbon and renewable electricity generation assets – providing enough power for the equivalent of more than 8.3 million homes across the UK. This is a joint response on behalf of Haven Power and Opus Energy and is non-confidential.

We welcome Ofgem's review of the microbusiness market, as we believe it's important that microbusinesses can get a good deal from the market and receive appropriate protections. We're pleased that Ofgem has reflected industry feedback in a more pragmatic and proportionate set of final proposals. We also welcome Ofgem's support for BEIS' commitment to regulate Third Party Intermediaries in the non-domestic energy market, as we believe that would remedy the biggest risk of consumer harm.

While we welcome the revisions to Ofgem's proposals, the modified package still represents significant change to the status quo and the complexity of implementing this package should not be underestimated. When considered alongside ongoing industry change, the proposed implementation timescales are unachievable. Suppliers are already managing an unprecedented level of major industry change including Faster Switching, Market-wide Half-Hourly Settlement, the Targeted Charging Review and the Access and Forward-looking Charges Review; all of which are running to challenging timescales and rely on the same finite pool of Supplier resource. Alongside those programmes, Suppliers are required to deliver standard industry code modifications and *ad hoc* unexpected changes such as BEIS' recent proposals to give consumers greater access to their Smart meter data¹.

As we emerge from the Coronavirus pandemic and seek to bounce forward, we plan to embark on a major investment programme within our Supply business focussing on the effectiveness and efficiency of the services we provide to customers. However, our ability to innovate and deliver improvements to our customers' experience is severely hampered by the continuous demands of mandatory industry change. While we recognise the positive intent of these industry changes, the cumulative impact on costs and drain on resources must not be overlooked or downplayed. Moreover, it must be recognised that there is a limit on how much change we can make to systems and processes at any one time, due to the complex interactions across the IT architecture and the need to train our colleagues on the arrangements and associated processes.

¹ Maximising Non-domestic Smart Meter Consumer Benefits, improving the data offer and enabling innovation



We urge Ofgem to reconsider the proposed implementation timeframes to ensure they're realistic and don't inadvertently put at risk the customer experience. We do not believe the Broker Commission Transparency and Cooling-off arrangements can be implemented sooner than nine months from Ofgem's final decision without considerable risk to delivery, consequential impacts to customer experience, and knock-on impacts to delivering other change programmes. Those arrangements require particularly extensive and complex system and process changes. Additionally, aligning their implementation would be beneficial to consumers as it would deliver a package of complementary protections, rather than a piecemeal and disjointed approach. For that reason, we would recommend that the broker Dispute Settlement Scheme is implemented to the same timeframe. The removal of termination notices also requires extensive changes to processes and documentation, but our initial impact assessment suggests it should be deliverable six months from Ofgem's decision.

We've provided feedback on each of the proposals, together with comments on the associated licence drafting in Appendix 1. In Appendix 2 we put forward alternative approaches to introduce cooling-off rights. And finally, to illustrate the complexity of implementing regulatory change so that Ofgem can factor it into the final implementation timeframes, in Appendix 3 we've included an overview of the steps required to implement system-based change.

We appreciate Ofgem's previous engagement with us on the Microbusiness Review and would welcome the opportunity to discuss our response with you further before a final decision is made.

Yours sincerely,

Matt Young

Group Head of Regulation

Drax Group plc

Appendix 1: Feedback on Ofgem’s final package of proposals

1. Broker Cost Transparency and Provision of Principal Contractual Terms

1.1. General remarks

We fully support broker cost transparency and agree with Ofgem’s view that it would be most beneficial for customers to have that transparency at the point of entering a contract so they can make a fully informed purchasing decision.

In addition to some specific comments on the proposed licence drafting (see section below), we would welcome Ofgem extending the timing for providing the Principal Terms to **two** working days rather than the proposed one day. This would allow more time for checks and controls to be deployed to promote accuracy, which is particularly necessary where Suppliers are processing a large number of contracts in one day or agreeing contracts towards the end of the working day.

1.2. Comments on draft Supply Licence Conditions (SLC)

Provision of principal terms

We see no reason why SLC 7A.9A needs to materially differ from SLC 7A.9(a)(iii), or why the latter part of the condition is necessary. In particular, if a Supplier sends the Principal Terms by first class post, it cannot reasonably be held to account for delays in the national postal service. We therefore suggest the following amendment:

7A.9A For the purpose of this Condition 7A.9:

‘providing’ a Micro Business Consumer with any relevant Principal Terms means the supplier or the relevant broker must send the Principal Terms by email or by first class post to the Micro Business Consumer ~~on the no later than two next working days after agreeing the contract at the latest; and that where they are sent by email, the Principal Terms will be ‘provided’ on the next working day after they are sent and if sent by first class post, they will be provided on the second working day after posting~~

Brokerage Costs definition

We appreciate Ofgem’s intent is to capture a broad range of commission arrangements within this definition, but the term “benefit of any kind” is too vague and impractical. For instance, it could include costs associated with general TPI relationship building activities and events, which may happen many months after or before a supply contract is agreed, and most importantly, the cost of which has no direct bearing on the individual costs borne by the microbusiness consumer through its supply contract. The obligation should apply to commission directly linked to the contract for that customer. We suggest the following amendment would reflect that intent:

*“Brokerage Costs” means any fees, commission or other consideration including a **direct** benefit ~~in of any kind, processed by the licensee and paid or made, or due to be paid or made, to the Broker in respect of the specific~~ a Micro Business Consumer Contract.*

1.3. Implementation timeframe

The proposed implementation timeframe of 56 days following Ofgem's decision is unachievable. We will need to make significant process and system changes to comply with this new requirement. The list below illustrates the scale and complexity of the changes that will be required based upon our initial impact assessment:

- Changes to six different contract packs (including Principal Terms) tailored for different scenarios, i.e. acquisition and renewal across both brands for both fuels. These changes require input from various parts of the business, including Business Change, IT, legal and Marketing.
- To include the required information in contract packs, data will need to flow from commission tools into the billing systems, so that a cost-per-contract can be calculated and added to the Principal Terms. These data feeds and subsequent calculations of the cost will need to be designed and extensively tested, and the correspondence templates updated to include the information. Ultimately this may require us to move commission systems into our billing systems or to develop a new technical commission system with greater automation. This would be new IT architecture which takes considerably longer than 56 days to design, build, test and deploy.
- We will also need to develop a new process and collateral to manage *ad hoc* customer requests for commission information mid-contract.
- We currently work with approximately 600 brokers across our two supply businesses and a wide variety of commission arrangements, each of which will need to be translated and converted into the prescribed format.
- In addition to Principal Terms and contract packs, we will need to make changes to terms and conditions, verbal scripts and our agreements with each broker.
- New processes will need to be put in place to ensure Principal Terms are issued in the prescribed timeframe and new working arrangements to deal with the expected increase in customer queries relating to the commission.
- Our online quotation tool is expected to require adapting, further drawing upon finite IT resource to design, build and test the necessary changes.
- Extensive training will be required for both sales agents and operational staff to ensure they can use the new systems/processes, and understand the new licence obligations, so that customers receive accurate information in a timely manner.

While we have been able to conduct an initial impact assessment based upon the proposals and draft SLCs, we cannot commence scoping and design work to implement these changes until the final details are confirmed. Assuming the proposals don't materially change, we estimate **we will need nine months from the date of Ofgem's decision to implement this proposal**. Any shorter timeframe would force us to put in place temporary manual workarounds which would be labour intensive and prone to error, carrying considerable compliance risk, which ultimately will be to the consumers' detriment.

2. Termination Notices

2.1. General remarks

We can see why termination notices might present an unnecessary barrier to switching and, as such, support Ofgem's proposed prohibition.

We can also understand why retaining termination notices for Evergreen products might allow suppliers to offer a better price than if no notice was required. On that basis, we support the proposed exemption for Evergreen contracts.

2.2. Comments on draft Supply Licence Conditions (SLC)

The latter part of 7A.10B appears to contradict SLC 7A.11 and 7A.12(a), both of which state “a Micro Business Consumer is not required to give **any form of notice to terminate** the Micro Business Consumer Contract **or to switch supplier**”. This licence drafting (copied below) may therefore need to be revisited or clarified.

7A10B (c)(i) *a statement to the effect that the Micro Business Customer may send a notification in writing to the licensee at any time before the end of the fixed term period that currently applies in **order to terminate the Micro Business Consumer Contract with effect from the end of the fixed term period which currently applies.***

2.3. Implementation timeframe

The proposed implementation timeframe of 56 days following Ofgem’s decision is unachievable. Changes to termination notice requirements requires changes to Supplier processes and multiple documents, including letters and bills. Across Haven and Opus, we will need (as a minimum) to make changes in the following areas as a result of the removal of termination notices:

- Six versions of Contract Packs (including Principal Terms)
- Six variants of End of Contract letters
- Four versions of contractual Terms and Conditions
- All system generated and manual bills for microbusinesses in contract
- Two websites will need updating to explain how our contracts work
- Changes to our customer transfer objection process and associated letters

While we have been able to conduct an initial impact assessment, we cannot commence full scoping and design work to implement these changes until the final details are confirmed, and changing this volume of documentation within 56 days is simply not achievable. Assuming the proposals don’t materially change, we estimate **we will need six months from the date of Ofgem’s decision to implement this proposal**. We could stop raising objections to customer transfers (on the basis that a termination notice has not been received) in a shorter timeframe, but we could not update any of the associated customer communications.

3. Cooling-off Period

3.1. General remarks

We’re pleased that Ofgem’s revised approach to cooling-off avoids interacting with the Faster Switching arrangements. However, it introduces unnecessary and unhelpful complexity where customers agree a contract between 42-29 days prior to the intended supply start date. In those instances, Suppliers’ processes and systems would have to accommodate a “variable” cooling-off period. Aside from the complex system and process changes that Suppliers would need to put in place to accommodate this variable cooling-off period, it would be difficult to communicate clearly to consumers and could leave them

with a negative view of their switching experience. For example, a customer agreeing a contract 30 days before their supply start date would be allowed only two days to cool-off; by the time they receive their Principal Terms, setting out their right to cool-off, that window may already have expired. There is also a risk that an ever-decreasing cooling-off window may be seen by consumers as a high-pressure sales tactic.

In Appendix 2 we set out five alternatives to the proposed cooling-off approach, which we believe achieve the same intent as Ofgem's proposal but in a far cheaper, easier and more consumer-friendly way. Of those five alternatives, and after careful consideration, we've concluded that the following alternatives (in order of preference) achieve the best outcome:

1. **Implement 21-day cut-off for cooling-off concurrently with Faster Switching go-live [Alternative 5]** – This would introduce cooling-off alongside Faster Switching, currently planned for mid-2022. Introducing cooling-off for microbusinesses at the same time as Faster Switching would enable complementary customer communications to be deployed, and it would mean the cut-off for cooling-off rights could be minimised reflecting the capability of the Faster Switching arrangements. It would allow all microbusinesses, who agree a contract more than 21 days ahead of supply start, a full 14-day cooling-off period, offering cooling-off rights to a higher proportion of microbusinesses than under Ofgem's current proposal.
2. **Implement 42-day cut-off for cooling-off, 9 months after decision [Alternative 1]** – In our view, extending the proposed 28-day deadline to 42 days would be the most cost-effective proposal to implement and the simplest to communicate to customers, while avoiding the poor customer experience that will result from the proposed diminishing cooling-off period.
3. **Implement 42-day cut-off 9 months after decision, and then reduce to 21 days concurrently with Faster Switching go-live [Alternative 4]** – This is a hybrid of the two previous alternatives; it offers the simplicity of Alternative 1 as soon as possible while maintaining the ultimate goal under Alternative 5 to capitalise on the capability of the Faster Switching arrangements.

We urge Ofgem to reconsider its current proposal and adopt one of the above alternatives instead.

3.2. Comments on draft Supply Licence Conditions (SLC)

We are concerned that SLC 7A.13.2 allows notice of cancellation by any communication. Having processes in place to record and action any possible contact format would require considerable manual intervention and be particularly difficult to deploy with effective operational controls, leaving it at high risk of error. We suggest the following amendment, which would bring this requirement into line with most other conditions that require notice to be given by a customer:

7A.13.2 Notice of cancellation ~~includes any communication~~ **must be made in writing** by the Micro Business Consumer to the licensee, made in the cancellation period, setting out the Micro Business Consumer's decision to cancel the Contract.

We also suggest an amendment to 7A.13E.4 to clarify the condition such that the 14-day period starts from the day the contract is entered into if, and only if, the Principal Terms have been sent after the contract was entered into:

7A.13E.4 *The cancellation period ends at the earlier of:*

- a) *14 calendar days after the day on which the Contract is entered into ~~and~~ where the Micro Business Consumer has been provided with a written copy of the Principal Terms as required under paragraph 7A.9, or 14 calendar days after the Principal Terms have been provided if later;*
or
- b) ...

3.3. Implementation timeframe

Whether Ofgem's current proposal is taken forward, or one of the alternatives described above, a realistic implementation timeframe is critical. It's our understanding that when cooling-off was introduced in the domestic market, the challenges were acknowledged and it was therefore implemented following a long notice period. Non-domestic-only Suppliers are now in that same situation and will similarly need to implement significant process and system changes without any prior experience of operating cooling-off arrangements. The list below illustrates the scale and complexity of the changes that will be required based upon our initial impact assessment:

- Wide-ranging changes to communications including six different contract packs and four sets of contractual Terms and Conditions.
- New letters confirming cancellation if a customer chooses to cool-off.
- Updates to websites, to reflect cooling-off rights, as well as our online quotation tool.
- Seven different internal systems will have a dependency on cooling-off, requiring significant design and testing to ensure they interact correctly.
- Processes will need to be created and associated controls designed and tested, especially important as even with an extended implementation timeframe, we initially expect to have to rely on considerable manual intervention, e.g. removal of customer from internal systems and processes if cool-off enacted.
- Broker commission payment arrangements (e.g. timing and clawback) will need to be changed and agreed with all brokers we work with.
- As we have no experience of operating cooling-off arrangements, we will need to conduct extensive training across Sales and Operations colleagues.

While we've been able to conduct an initial impact assessment based upon the proposals and draft SLCs, we cannot commence scoping and design work to implement these changes until the final details are confirmed. Other than the alternatives we've proposed which align implementation concurrently with the Faster switching timeframes, we estimate **we will need nine months from the date of Ofgem's decision to implement cooling-off arrangements.**

4. Broker Alternative Dispute Resolution (ADR) Scheme

4.1. General remarks

We're very supportive of a Broker ADR scheme, as it closes an existing protection gap. However, given the level of detail still to be worked through and the number of brokers to onboard, we think implementing the Scheme by 1st January 2022 may be overly ambitious.

Brokers will have to design and implement new processes and complaint handling procedures to comply with the ADR Scheme arrangements. That will take time and an overly ambitious deadline risks brokers not being onboarded in time, leaving consumers and suppliers unable to work with them. For the scheme to be effective and trusted from the outset, it's essential that it doesn't commence until the different dispute scenarios and resulting interactions between the various parties have been carefully considered, and processes and ways-of-working defined. For example, many basic but important questions need to be answered, such as, how will supply contracts be affected if the Broker is found at fault, will Suppliers have visibility of complaints raised against brokers, and how will Suppliers track which brokers continue to be members of the scheme?

We're also anticipating many and varied questions from brokers on how the ADR will work in practice and what will be expected from them. We therefore suggest the expected Scheme provider and/or Ofgem issues guidance to brokers on how to engage in advance of the Scheme's implementation. This will ensure a consistent message is delivered and will enable Suppliers to facilitate engagement by signposting brokers to the appropriate place for advice.

4.2. Implementation timeframe

As Ofgem's proposals currently stand, we'd need to make changes to bills and promotional materials, as a minimum. However, with the current lack of clarity as to how the scheme(s) will operate and what will be required of us to be compliant with the scheme at go-live, we can't be certain how much lead-time we will need. Notwithstanding that, it would be logical and most cost-effective for the Broker ADR scheme to be implemented alongside commission transparency and cooling-off arrangements, to provide a complementary package of microbusiness protections.

We also think it is important to include the concept of a *grace period* into the implementation timeframe, allowing Suppliers time to offboard brokers who are not members of the scheme at go-live. This would help avoid disruption to the customer caused by a Supplier no longer being able to work with a Broker, and would also mitigate against Suppliers incurring costs through severance clauses, for example linked to the Commercial Agents Regulations 1993.

Appendix 2: Alternative approaches to implementing cooling-off rights

Option	Pros	Cons	Suggested licence drafting
Ofgem's proposal – Microbusinesses can cancel either up to 14 days after entering into a contract <u>or</u> 28 days (hard cut-off) before supply start date (SSD), whichever is sooner.	Avoids interaction with Faster Switching arrangements.	Customers agreeing a contract between 41-29 days prior to SSD are subject to a diminishing cooling-off period (reducing to 1 day at the 29-day point) creating a poor customer experience for those customers. Complex to implement and communicate.	7A.13E.4 The cancellation period ends at the earlier of: (a) 14 calendar days after the day on which the Contract is entered into and the Micro Business Consumer has been provided with a written copy of the Principal Terms as required under paragraph 7A.9; or (b) 28 calendar days (or such other period as the Authority may specify from time to time) before the date on which the supply of electricity under the terms of that contract, is due to begin.
Alternative 1 – Hard cut-off 42 days prior to SSD with customers agreeing contracts after this point having no cooling-off rights.	All customers entitled to cooling-off get 14 days. Straightforward solution. Simple to communicate.	Smaller percentage of customers get cooling-off rights.	7A.13E.4 The cancellation period ends at the earlier of: (a) 14 calendar days after the day on which the Contract is entered into and the Micro Business Consumer has been provided with a written copy of the Principal Terms as required under paragraph 7A.9; or (b) 42 calendar days (or such other period as the Authority may specify from time to time) before the date on which the supply of electricity under the terms of that contract, is due to begin.
Alternative 2 – Hard cut-off at 35 days prior to SSD with customers agreeing a contract after this point having no cooling-off rights.	All customers entitled to cooling-off get at least 7 days. Offers protection to a higher percentage of customers than alternative 1.	Creates similar (albeit lesser) poor customer experience as Ofgem's current proposal due to diminishing cooling-off period. Retains an element of complexity so is more costly to implement	7A.13E.4 The cancellation period ends at the earlier of: (a) 14 calendar days after the day on which the Contract is entered into and the Micro Business Consumer has been provided with a written copy of the Principal Terms as required under paragraph 7A.9; or

Option	Pros	Cons	Suggested licence drafting
		and less straightforward to communicate than alternative 1.	(b) 35 calendar days (or such other period as the Authority may specify from time to time) before the date on which the supply of electricity under the terms of that contract, is due to begin.
Alternative 3 – All customers entering into contracts up to 28 days before SSD entitled to 14 days cooling-off.	All customers who are entitled to cooling-off get 14 days. Simple to communicate.	Reduces available time to complete a switch under current switching arrangements - Risks increasing Erroneous Transfers and poor customer experience if data queries are not resolved in foreshortened time to complete the switch.	<p>7A.13E.3 The cancellation period <i>shall only apply where the Contract is entered into 28 days, or more, before the supply of electricity under the terms of that contract is due to begin, and begins on the day on which a Micro Business Consumer enters into a Contract with the licensee</i></p> <p>7A.13E.4 The cancellation period ends <i>at the earlier of:</i> (a) 14 calendar days after the day on which the Contract is entered into and the Micro Business Consumer has been provided with a written copy of the Principal Terms as required under paragraph 7A.9</p>
Alternative 4 – Implement alternative 1 under current switching arrangements, then reduce to 21 days when Faster Switching goes live. [21 calendar days allows for maximum 7 calendar day switch timeframe under Faster Switching (allowing for weekends) plus 14 days cooling-off]	Greater number of customers will benefit from cooling-off than with Ofgem’s proposal once FS goes live (expected mid-2022).	Potential for increased costs with two stage approach.	<p>7A.13E.4 The cancellation period ends at the earlier of: (a) 14 calendar days after the day on which the Contract is entered into and the Micro Business Consumer has been provided with a written copy of the Principal Terms as required under paragraph 7A.9; or</p> <p>(b) 42 calendar days (or such other period as the Authority may specify <i>from time to time when Faster and More Reliable Switching arrangements allow</i>) before the date on which the supply of electricity under the terms of that contract, is due to begin.</p>
Alternative 5 – Implement 21-day cut-off for cooling-off alongside Faster Switching go-live.	Simpler and cheaper to implement than alternative 4. More realistic timeframe	Risk of consequential delay to implementation if Faster Switching programme delayed.	7A.13E.4 The cancellation period ends at the earlier of: (a) 14 calendar days after the day on which the Contract is entered into and the Micro Business Consumer has been



Option	Pros	Cons	Suggested licence drafting
	for Suppliers to implement major change.		<i>provided with a written copy of the Principal Terms as required under paragraph 7A.9; or</i> <i>(b) 21 calendar days (or such other period as the Authority may specify from time to time) before the date on which the supply of electricity under the terms of that contract, is due to begin.</i>



Appendix 3: Implementing system-based regulatory change

The standard process outlined below provides an overview of the steps required to implement IT system-based change. It demonstrates what is required at each stage to ensure that any deployment works as expected and will not cause any unintended impact to customers. The purpose of including it in this response is to illustrate to Ofgem the complexity of implementing regulatory change so that it can be appropriately factored into Ofgem's final decision on implementation timeframes.

Each and every regulatory change that requires system-based implementation needs to follow this same process to ensure the solution deployed is compliant, robust, doesn't materially impact our operational performance and service levels (during or after implementation), and doesn't impact our customers' experience.

Additionally, surrounding each implementation project of this type, sits a governance layer to ensure sufficient management oversight can be applied, interactions/dependencies with other system/process changes are identified and resolved, priorities determined and decisions made. This rigorous approach to project management and delivery is resource intensive and takes considerable time to complete, particularly where concurrent change is happening.

1. Identifying the right solution²

Identify requirements (10%)

- Requirements can't generally be identified until a full and final decision has been made by Ofgem and suppliers are certain what the new obligations are.
- Requirements are typically split into people, process and technology to understand where changes might be needed.

Develop solution options (25%)

- Can it be managed manually, or can we automate? Is new system functionality required?
- Development of data storage, security and privacy options.
- Prioritisation of new functionality against existing planned IT/process change, considering finite skilled resource and interdependencies.

² The percentage figure against each stage is an indicative guide to the proportion of time/effort each stage takes out of an overall project.

2. Developing reliable functionality

Develop solution (15%)

- Build new system functionality to deliver the requirements based on the agreed solution.
- Complex functionality requires long lead-times and specialist external resource may be required, particularly if functionality spans new or multiple systems. Interfaces may also need to be developed to help different systems communicate with each other, requiring additional design and development time.
- Managing any changes to requirements during development as interdependencies are identified.

Testing (min. 20%)

- Testing is a lengthy yet crucial stage to ensure new functionality works as necessary. Each stage of testing requires tailored 'scripts' to be developed. After each stage of testing is completed, any defects identified need to be corrected (potentially requiring further design and development time) and then retested.
- Testing is done in various stages, each of which is designed to test certain characteristics, flaws or outcomes. The standard array of testing includes:
 - **Unit Testing** – Small scale testing to ensure small sections of code within a piece of functionality work as expected (e.g. a calculation of commissions $p/KWh \times Estimated Annual Consumption \times Contract Duration$).
 - **Integration Testing** – Tests that identify whether different parts of the functionality work well together where the functionality requires different systems to interact (e.g. the system where commission information is stored is able to send the data through to the billing system).
 - **Functional Testing** – Testing similar to integration testing but looks at the outputs (e.g. the data sent from the commission system to the billing system can be exported to a letter and contains the correct data).
 - **Regression Testing** – Testing to ensure all existing functionality still works as expected and there are no unintended impacts of releasing the new code (e.g. by adding a commission value to a letter, all other required data items are still displayed on that letter correctly).
 - **Performance Testing** – Designed to ensure the new functionality works as expected when under a significant load and that there is no degradation in performance (e.g. if there's an increase in letters to be sent to customers, can they be generated by the system to expected quality levels whilst meeting any mandated timeframes).
 - **Penetration Testing** – To ensure no unauthorised 3rd party can penetrate the systems and gain access to customer data.
 - **User Acceptance Testing (UAT)** – Final stage of testing to ensure that the new functionality carries out the required tasks and that users can use the new functionality to perform their role. This requires subject matter expertise from the end users to run through the scripts and test the outcomes.
- Once all testing is passed, the new functionality can then be scheduled to be deployed.

3. Deploying the system

Business and Customer readiness activities (20%)

- New functionality is typically added to a non-live environment of the system so that users can be trained ready for deployment. The volume of training required is proportionate to the scale of the new functionality and how many areas in the business require it.
- Training must be scheduled carefully if it involves taking front-line agents from their day-to-day role so that there is no degradation in service to customers. This can take several weeks or even months to complete depending on the number of colleagues being trained.
- Training is supported by internal communications ensuring all users are aware of the changes.
- Identification of any customer readiness activities (e.g. communications to customers around changes to Terms and Conditions). Where communications to customers are required with associated customer actions/options, then sufficient lead-time needs to be allowed for customers to take appropriate action before any changes go-live (e.g. changes to contractual terms).

Deployment (5%)

- Deploying changes to a live environment is time-consuming and high risk, and it's therefore usually completed out-of-hours to minimise the risk.
- Roll-back and mitigation planning conducted in advance to allow for contingency should deployment not work, and/or if re-planning is required for a future deployment date.

Hypercare (5%)

- Identify and fix any defects in the functionality post deployment that were not identified during testing.
- In the case of mandatory regulatory change, the deployment date is typically well in advance of go-live such that Hypercare activities can be completed and defects fixed before compliance becomes enforceable.