Q1 2026 performance report:

Market Facilitator & FMAR

Publication date:	22 April 2026

This is an informal Ofgem assessment of Elexon's performance delivering the Market Facilitator role and FMAR. We provide a snapshot of its work to date, drawing out key successes to build upon as well as key concerns or risk areas that need addressing.

Key points: Market Facilitator performance

1	2	3	4	5
Poor	Weak	Average	**Good**	Excellent

Elexon has performed well establishing the Market Facilitator role. We assess overall performance as "**good**" with some areas of excellence. To build on this strong start we encourage Elexon to:

- Ensure that robust governance processes do not hinder it from taking a **strategic, outcome-based and agile approach** to delivery
- Improve the **accessibility and inclusivity** of Market Facilitator engagement
- Consider how they can best make use of the **Stakeholder Advisory Board's expertise**

Key points: FMAR performance

1	2	3	4	5
Poor	**Weak**	Average	Good	Excellent

Overall we have significant concerns about progress to date and do not currently have confidence that Elexon will be able to deliver FMAR on time, on budget and in line with Ofgem and industry expectations. We would like to see:

- A step change in **delivery**, with credible plans in place and demonstrable progress towards the 30 September 2027 go-live date
- More **open and transparent communication** with industry on delivery progress, risks, forward milestones and activities, risks, blockers, etc
- **Stronger external scrutiny**, including effective industry and independent scrutiny of both key technical and strategic decisions

Detailed performance assessment

1. Market Facilitator performance

1	2	3	4	5
Poor	Weak	Average	**Good**	Excellent

Summary

We have assessed Elexon's overall performance delivering the Market Facilitator role (excluding FMAR) as **good**, close to excellent in some respects.

In our stakeholder engagement Elexon's responsiveness, proactivity and willingness to work collaboratively with industry were highlighted. Elexon has brought in significant resources and is developing expertise rapidly.

A common recommendation was ensuring that Elexon's robust governance processes do not hinder it from taking a strategic, outcome-based and agile approach to delivery. While not currently a major area of concern, many cited this as a potential risk area. Another improvement area is to streamline meetings, industry requests and outputs to help reduce industry burden and improve the accessibility of engagement. Finally we encourage Elexon to consider how to maximise the value derived from the SAB.

Market Facilitator: What's working well

1. Since being appointed by Ofgem as the Market Facilitator in July 2024, Elexon successfully transitioned from Open Networks programme and established the Market Facilitator, which went live on 12 December 2025.
2. Stakeholders have provided positive feedback on the Market Facilitator so far, including:
    - Establishing the Market Facilitator team and getting up to speed – noting that Elexon have recruited well, bringing in lots of expertise.
    - Stakeholder engagement – stakeholders highlighted good working relationships with the Market Facilitator team. The whole team are described as being open and responsive to feedback. System operators in particular were appreciative of the level of bilateral engagement.
    - Change management – the process is robust and stakeholders like that workgroup materials are shared in good time and published. Early housekeeping issue with Day 1 Flexibility Market Rules was resolved quickly.

Market Facilitator: Where things could be improved

3. Ofgem are satisfied with Elexon's Market Facilitator performance so far, but provide areas where there is room for further improvement below.

Strategic approach

4. Ofgem and stakeholders recognise that a lot of the Market Facilitator's focus to date has been on market coordination and implementation monitoring. This is to be expected given how new the Market Facilitator role is.
5. That said, Elexon needs to ensure that moving forward it takes a more strategic approach, focusing on outcomes over outputs. They should ensure that the Market Facilitator focuses on its strategic leadership function and that Flexibility Market Rules are supporting the aim of unlocking the full value of flexibility. This will require triaging and prioritising changes that deliver the best outcome, rather than incremental change through minor process changes.
6. A common recommendation we heard was that Elexon should ensure its robust governance processes do not hinder it from taking a strategic, outcome-based and agile approach to delivery. Stakeholders see this as a key part of the Market Facilitator role.
7. Elexon developed the Flexibility Market Rules change process based on the robust governance of the code modification process and we challenge Elexon to carefully consider the sweet spot between robust governance and clear processes that support transparency without bogging down progress or losing sight of the big picture.
8. We have empowered Elexon to be a decision-maker so we encourage them to be ambitious and think big.

Inclusivity and accessibility and industry burden

9. Collaboration and stakeholder input is important in ensuring that the best solution is developed. However, given the number of change proposals and issues that have already been raised, workgroups and consultations have a significant resource impact on stakeholders.
10. We understand that workgroups tend to be long meetings and we are concerned that smaller organisations including flexibility service providers may not be able to attend or need to be selective of where they can input, which could lead to a sub optimal solution.
11. We also heard some concerns about the accessibility and volume of Elexon outputs, which can be lengthy. While comprehensive and detailed, some

stakeholder challenged Elexon to be more concise and focussed on conveying key priorities.

12. Based on stakeholder feedback the resource concern is not limited to smaller organisations and we recognise that even larger organisations may struggle to input into all workgroups and consultations, given other operational demands and industry change.
13. We encourage Elexon to consider how meetings and outputs can be streamlined to reduce the time required to engage.

Stakeholder Advisory Board (SAB)

14. Feedback received relating to the SAB has been generally positive with stakeholders recognising Elexon's receptiveness to feedback and the efforts it is putting in to get the most out the group, which is still in its infancy.
15. We encourage Elexon to continue considering how they best utilise the SAB's time and diverse expertise, particularly on strategic direction.

2. FMAR performance

1	2	3	4	5
Poor	**Weak**	Average	Good	Excellent

Summary

We have assessed Elexon's overall performance delivering FMAR as **weak.**

There has recently been a strong drive to grow the team, increase industry engagement, improve project planning and work on the design specification, all of which is encouraging.

That said, we currently see FMAR as high risk and have strong concerns about FMAR delivery: several key milestones have been missed and we have yet to see a full end-to-end project plan detailing how the agreed go-live date will be met. In addition, we have concerns about the level of transparency surrounding the delays and about the level of external scrutiny of key decisions.

FMAR: What's working well

16. Elexon has grown the FMAR team considerably over the past few months and we are starting to see increased momentum, which is a positive development.
17. There has also been progress on design of the digital infrastructure and extensive engagement on a bilateral basis or with targeted stakeholder groups. We look

forward to Elexon socialising findings from the targeted stakeholder group engagements with a wider range of stakeholders at future workshops.

FMAR: Where things could be improved

18. Elexon's objective is to deliver the FMAR digital infrastructure by **30 September 2027**, as set out in the Market Facilitator Governance Framework Document 2026 to 2028.

Delivery and timeline

19. Despite recent additions to the team and improvements in project planning we find it concerning that more than one year since Elexon were appointed as the FMAR delivery body (7 March 2025), a robust end-to-end project plan has yet to be produced.
20. Several milestones, including those we set out in the Governance Framework Document have been missed: Elexon's delivery plan & schedule for 2026-2028 set out that in Q1 2026 they would hold workshops, undertake a consultation and publish a decision, prior to detailed design starting in Q2 2026.
21. We understand that these delays come from Elexon operating with significant resourcing and capability gaps over the course of 2025 while they are ramping up. While Elexon appears to have now filled many of these posts the delays incurred make an already challenging delivery timeline even more challenging.
22. As such, we have significant concerns about Elexon's delivery timeline and believe that a considerable turnaround will be required to meet the agreed go live date.

Communication and transparency

23. Given the level of system changes that will be required across industry Ofgem expect Elexon to be open and transparent with delivery progress.
24. Stakeholder engagement activity has increased significantly in the past quarter however stakeholders have raised concerns about the clarity and transparency of forward activities, hindering their ability to plan effectively. In addition, the delays incurred do not appear to have been communicated clearly or transparently.

External scrutiny of FMAR development

25. There needs to be robust external scrutiny of FMAR development, including from a technical perspective as well as at a more strategic level, including key strategic decisions and delivery progress.
26. As part of the Market Facilitator governance arrangements, the Stakeholder Advisory Board (SAB) provides oversight, scrutiny and challenge to the Market Facilitator however has a limited role on FMAR.

27. Elexon established an Industry Expert Group to provide strategic and technical advice on FMAR but we understand that it does not have a steering or scrutiny function and we have limited visibility of its composition, expertise or exact role.
28. We believe there is value in strengthening the external scrutiny of FMAR to scrutinise progress and improve strategic join-up, as well as to provide technical and other input. This could be by achieved through utilising:
    - SAB (if they have the required expertise to provide challenge);
    - Industry Expert Group; or
    - A new, small, group or groups with the relevant expertise and a defined role.

3. Next steps

29. This report is being circulated to the Stakeholder Advisory Board, all DNOs and NESO, but is not being published on the Ofgem website.
30. Elexon must consider the feedback we have shared and take action to address where there is room for improvement, particularly for FMAR but also for Market Facilitator.

Annual performance assessment

31. As set out in the Market Facilitator Governance Framework Document we will be undertaking an annual assessment of the Market Facilitator's performance. The first annual assessment will cover the transition period and Q1 2026.
32. The formal annual assessment process includes a stakeholder survey, formal input from the Stakeholder Advisory Board and Elexon's self-assessment report. Ofgem will produce and publish the annual performance report on its website.

4. Appendix: Background and context

Elexon's performance arrangements

33. The performance arrangements for the Market Facilitator and FMAR are set out in Section 5 and Appendix 1 of the Market Facilitator Governance Framework Document 2026 to 2028.
34. In addition to the annual performance assessment process, the quarterly performance review is an important part of the arrangements to assess progress against the Market Facilitator delivery plan and to provide timely feedback for Elexon to address.
35. We recognise that this is an early stage in Market Facilitator operations given that it went live on 12 December 2025. However, we are providing feedback to ensure that performance issues already identified can be addressed promptly.

What has helped to inform our view on Elexon's performance?

Stakeholder feedback

36. Ofgem provided a selected sample of stakeholders (including members of the Stakeholder Advisory Board) with the opportunity to provide feedback to Ofgem through short bilateral meetings. We asked what the Market Facilitator has done well during Q1 2026 and where there is room for improvement. This short report summarises themes from those discussions but does not attribute comments to specific stakeholders.
37. Stakeholder feedback skewed heavily towards Elexon's delivery of the Market Facilitator role, with less input on FMAR. As such, it's important to note that while our assessment of Elexon's Market Facilitator performance incorporates both Ofgem and stakeholder views, our FMAR assessment relies far more on our own experience and interactions with Elexon.

Elexon self-assessment

38. Ofgem requested that Elexon as Market Facilitator provide a short report to Ofgem containing progress and activities for both Market Facilitator and FMAR during Q1 2026 including budget and resourcing actuals against forecast. We also asked for an honest assessment from Elexon of what they think has gone well and what could have gone better for Market Facilitator and FMAR, along with any identified issues / blockers / risks.

Performance review meeting

39. We met with representatives from Elexon’s Market Facilitator and FMAR teams at Ofgem’s London offices on 2 April 2026. We discussed the content of the self-assessment report that Elexon had shared in advance. During the meeting we provided feedback on Elexon’s performance and asked for Elexon’s views on our assessment.