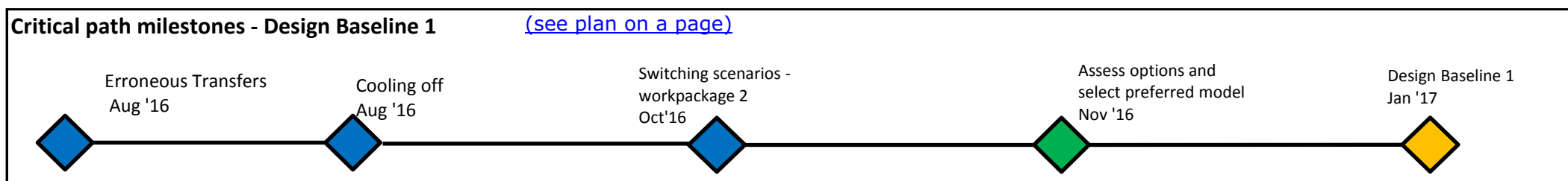


Upcoming Key deliverables	1. Registration and Switching Governance Framework and Procurement Framework for User Group Review Oct '16	2. Interactions with Smart Metering, SA Options for RFI, Transition Strategy, Data Conversion & Migration, Data Cleanse Strategy, System Integration Strategy, Customer Awareness, DCC Business Case, Margin and Incentives, DB1 Reform Packages & RFI Approach EDAG Review Oct '16	3. Interactions with Smart Metering, Transition Strategy, Data Conversion and Migration Approach, Data Cleanse Strategy and System Integration Strategy and DB1 Reform Packages to be approved by Design Authority Oct '16	4. Completion of Work Package 2 (policy overlay on processes) Oct '16 5. EDAG review and completion of Regulatory Design Framework Nov '16
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Deliverables achieved since last reporting period	DA 28 September 16 - WP2, Service Availability and Helpdesk, Domestic/ Non Domestic and Post Implementation Strategy and Testing Strategy baselined.
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Programme Progress update

Overall

- * Programme is progressing to plan with 21 products now baselined by Design Authority.
- * Third Senior Stakeholder (Steering Group) meeting scheduled for 06 October.
- * Fourth Programme Delivery Group (SPDG) on 12 October.

Design Authority

- * The meeting on 28 September considered WP2, Service Availability and Help Desk, Domestic/ Non Domestic and Post Implementation Strategy and Testing Strategy.

Business process design workstream

- * WP2, Service Availability & Helpdesk and Domestic/ Non Domestic approved at DA on 28 September.

Regulatory Design workstream

- * Product 1 (existing regulatory requirements) and Product 2 (Roles & Responsibilities) are both complete.
- * The RDT is continuing work on Product 3 (Governance arrangements) taking on board the input of the User Group.
- * RDT are in the process of carrying out the assessment of the long list of options. A shortlist of governance options has been presented to the Programme Board and will go to the User Group for approval in October, the November EDAG and DA. This paper is for information only.
- * Work has commenced on Product 4 (Business Rules) and the RDT have begun to map the codes that may be impacted to the BPD 'happy path'.

Delivery Strategy workstream

- Testing and Post Implementation work packages were baselined at September DA.
- Transition Strategy, Data Cleanse, Data Conversion and Migration and System Integrattion Strategy papers will be presented at October's EDAG. These papers were agreed at the User Group on 29 September (with some changes suggested).

Commercial workstream

- * DCC Business Case was submitted to Ofgem on 09 September and is currently undergoing review.
- * Ofgem letter outlining expectations on DCC regarding procurement framework reviewed by User Group on 29 Sep.
- * User Group also reviewed new sections of the DCC Business Case including costs and DCC's margin and incentives proposal.
- * Ofgem developing proposed direction for margin and incentives.
- * Ofgem will show DCC response on Procurement Framework at User Group on 28 October.

External Dependencies to programme

- * Priority Services Register Review - dependency being actively managed.
- * CMA remedies - dependency being actively managed.

Design Decisions (see Design Authority Decision Log for more information)	
Decisions Made (last reporting period)	Decisions Due (next reporting period)
Business Process Design - WP2 - Domestic/ Non Domestic - Service Availability & Helpdesk Delivery Strategy - Post Implementation Strategy and Testing Strategy	Business Process Design - Interactions with Smart Metering Delivery Strategy - Transition Strategy - Data Conversion and Migration Approach - Data Cleanse Strategy - System Integration Strategy DIAT - Design Baseline 1 Reform Packages

Top delivery risks and issues				
Risk/issue	Current RAG	Previous RAG	Mitigating actions	For information, action or advice sought from EDAG
I30. The cost and margin presented in the DCC Business Case are significantly higher than expected. This together with the longer than expected timescale for delivery suggest that there is significant work to be done over the coming weeks to resolve.			Continued close collaborative working to understand the rationale for the costs and margin presented together with the detail behind the plan and differences in assumptions	For information
I31. Plans for legislation for new powers to make changes to codes remain unclear. Contingency plans are in place to rely on existing SCR powers to effect regulatory changes to support the programme.			1) Contingent replanning of timeline and re-evaluation of planning assumptions on basis of SCR powers. 2) Continued engagement with BEIS on legislation and relevant powers.	For information
I27. The team is currently facing resourcing challenges with the departure a number of staff including programme manager and RD policy manager. This is further compounded by a rapid increase in activity impacting PMO & Commercial work streams.			1) Recruitment of replacement staff 2) Review of current resource activity across team to re-allocate staff where possible to stretched areas. 3) Appointment of temporary staff as required.	For information
R66. There is a risk that internal resource allocation does not fulfil the skill and quality requirements necessary for DLS phase delivery.			1) Identification of products & activities ongoing to resource & skills requirements & allocation of work packages between Ofgem & DCC. 2) Discussion with other Ofgem teams to gain insights from their experience e.g. RIIO. 3) Use consultancy budget to recruit consultants 4) Discussion with code bodies to agree continued resource allocation to the programme	For information
R02. There is a risk that we do not have enough budget (especially industry provided resource) and certainty for planning to support the programme through its entire life cycle (up to 5 years).			1) Programme plan includes requirement to secure funding for each phase of programme 2) The internal business case has been approved 3) PMO tracking of budget expenditure for realistic assessment of programme costs & 2017-18 planning commenced. 4) Engagement with industry in relation to 2017-18 budget (and beyond) in order to secure resource.	For information