

Demonstrating resilience...

... **working together**

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## About Xoserve

Xoserve was founded in 2005 as the Central Data Services Provider (CDSP) for the gas industry. We provide a suite of vital services for gas Suppliers, Shippers and Transporters, ensuring that Britain's wholesale gas market runs efficiently and reliably.

Xoserve is funded, governed, and owned by members of the gas industry. Our services are provided on a mutualised, centralised basis to all gas market participants. Our UK Link system holds the details of over 24 million gas meter points in Britain, including address, meter details, supplier and read history. This data, related information-flows and invoicing and settlement solutions use sophisticated computer networks, supported by highly knowledgeable people to support reliable and efficient delivery.

Using the UK Link system, alongside the Gemini System we also manage, we collect information provided by the industry to provide transportation invoicing services for Gas Distribution Networks and National Grid Gas, as well as energy balancing and settlement services for the gas market.

Data flows are managed through our Information Exchange (IX) network which provides a dedicated secure network between Xoserve and industry participants. Once received, the information we hold can be accessed and viewed through the Data Enquiry Service (DES), which since July 2022 is being provided by Xoserve as part of the Gas Enquiry Service (GES) through the Retail Energy Code. We also provide data visualisation, dashboards and analytics to our customers through the core Data Discovery Platform (DDP).

While these systems are key to the effective running of the gas market, they are not our only responsibility. We engage with industry to support the shaping of changes designed to improve the efficiency of market operations. We also undertake procurements on behalf of the industry, managing key contracts with parties such as the Allocation of Unidentified Gas Expert (AUGE) and Performance Assurance Framework Administrator (PAFA). Our experience and expertise have also enabled us to provide key insights into the recent gas crisis, helping to manage the impacts of Shipper and Supplier market exits through the last year.

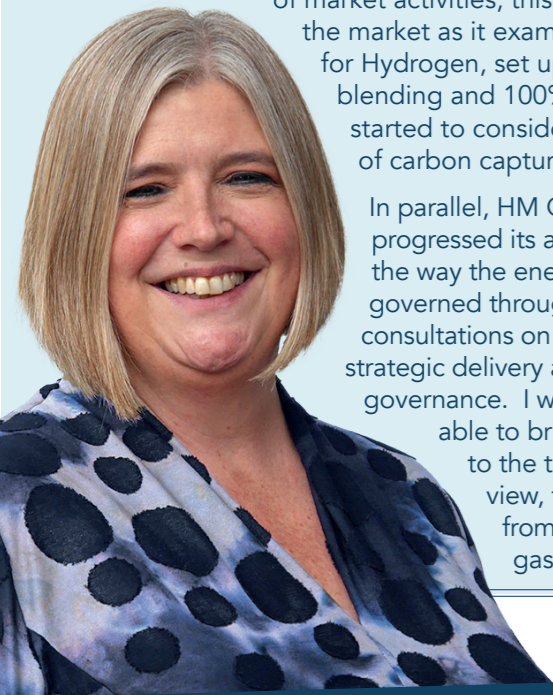
## CEO's Introduction

2021-22 was a year of unprecedented upheaval.

As the world emerged from pandemic lockdowns, the economic shock of shutting down, (and then trying to restart) vast swathes of the global economy was felt across all industries and all geographies. Coinciding with other factors, this led to an unprecedented (at the time) rise in gas prices. The impact on Britain's wholesale gas market was significant, with those suppliers who were not fully hedged having to set prices to consumers below what it cost them to buy wholesale gas (and electricity). The result was a series of failures among both suppliers and shippers, impacting over 2 million consumers, and Xoserve found itself at the centre of significant activity to generate options to manage a number of potential failure scenarios, including the "worst case" scenario, which subsequently materialised with the failure of a Shipper with multiple Suppliers. Working across industry stakeholders, we created a dedicated task force to ensure a joined up approach to the "Supplier of Last Resort" (SoLR) processes, enabling us to minimise the financial losses to which the market was exposed. And our new fixed price outsourcing arrangements enabled us to absorb the additional workload generated in the areas of energy balancing/credit risk, customer lifecycle (i.e. market joiners and leavers) and portfolio migrations without additional cost to customers.

In November 2021, the COP26 Climate Change Conference renewed the world's focus on the environment and re-energised the UK's decarbonisation agenda. In the gas market, Xoserve again found itself at the centre of market activities, this time supporting the market as it examined use cases for Hydrogen, set up trials for both blending and 100% hydrogen and started to consider the implications of carbon capture and storage.

In parallel, HM Government progressed its agenda to reform the way the energy market is governed through a series of consultations on the reform of strategic delivery and energy code governance. I was delighted to be able to bring Xoserve's voice to the table to share our view, formed by our role from the heart of the gas market.



Behind the scenes, the team was settling into new ways of working as we returned to the office following a year of pandemic-related exile. We bedded in new working practices following our organisational restructure. This saw the outsource of the majority of CDSP Services not already outsourced, to our former colleagues in Correla, as we sold the operational arm of the business and shared the benefits in the form of sales proceeds with customers.

Through-out all of this turbulence, Xoserve went about its work, delivering the systems and processes which enable the gas market to function, engaging openly with customers to identify and respond to their emerging needs, sharing impartial expertise and insights into the operation of the gas market with wider stakeholders and supporting the market to weather the storm.

For me, as incoming CEO, it's been a fascinating ride and every day has been a school day! There is much to do to reform Britain's gas market and I look forward to Xoserve being a key part of that initiative. But, before considering what's to come, I'd like to pause and reflect on what Xoserve, in collaboration with its service providers delivered for customers and the industry last year.

Customers have told us that they would like to understand more about the CDSP Services delivered by Xoserve, as part of their desire to assess value for money. I've therefore asked the team to bring to life the breadth, depth and complexity of those services, to help customers put our costs into context. It was a tough ask as there's a lot to cover: from the enablement of new activities to the protection from risk (particularly cyber risk) and from support for the market as a whole to the needs of individual customers. But the team have risen the challenge I set them, albeit it means that this Annual Review is a little longer than usual. Thank you, team, great job!

Service performance of the quality evidenced in the rest of this document does not happen by accident. It is the result of the dedication of an extraordinary set of people, within both Xoserve and our service providers, working tirelessly to deliver. In a one-to-many relationship of the type Xoserve has with its customers, it is almost impossible to please all of the people all of the time, but I'm blessed with a team which insists on trying. I'm incredibly proud of the work you've all done and the commitment you've shown to Xoserve and its customers. Thank you!

**Stephanie Ward**

## Chair's Statement

2021-22 was the first year of our new operating model, which saw us increase our use of expert third party suppliers for the delivery of the CDSP Services having split Xoserve into two entities. Xoserve remains the Central Data Service Provider, with responsibility for delivering critical services, on a mutualised basis, to Britain's wholesale gas market. We now do this by holding our third-party service providers to account through the application of specialist contract management and assurance expertise, augmented by our deep industry knowledge and experience. Our main service provider is Correla, our former delivery arm, contracted as the initial expert third party to deliver many of the technical and industry processes directly to customers on our behalf. This approach marked a step change for the gas industry, delivering benefits to customers in a number of ways.

The most obvious one is through the introduction of commercial levers to incentivise performance, which Xoserve's funding, governance and ownership model precluded us from offering to customers directly, but which we are able to include in our contracts with third parties. These levers have served as a tremendous catalyst for increasing the formality around service management and have enabled Xoserve to take meaningful corrective action on behalf of customers where needed. And, with Xoserve now independent from the majority of service delivery, it has been able to act as impartial expert to ensure that the service meets code requirements, as well as the commitments in the Data Services Contract.

We were also able to introduce commercial flexibility and innovation by accessing the private equity investment available via our main service provider, Correla. This was best exemplified by Xoserve's approach to the Contact Management Service. The team have negotiated an arrangement with Correla, whereby Correla will fund the development and ongoing refresh of the system in return for the opportunity to monetise the new Intellectual Property that they develop as a result. In return for a monthly licence fee, Xoserve and its customers have full rights to use (and further develop) the system, albeit that functional developments will come at additional cost. It's a win-win for customers: a new system and a lower price without commercial risk. And is something that Xoserve could not contemplate doing itself.

The value of Xoserve's gas market focus became most evident to me during the gas market crisis of Autumn 2021 as the team worked with industry stakeholders to manage the fallout from the gas price crisis. As the processes for

exiting the market were tested to the limit by a level of activity never previously experienced, the team responded quickly, creating a dedicated task force to work closely with Ofgem, BEIS and other industry stakeholders to reinforce and automate SoLR. The control that the team were able to apply to the myriad of unplanned market exits enabled us to minimise the operational and commercial impacts on other market participants and thus consumers.

Xoserve's impartiality has also led us to a role at the heart of a number of key decarbonisation initiatives both as delivery partner and consultant/advisor.

As we look to the future, it is clear that the energy market (which I was privileged to help to create) needs to evolve. In the short term the cost of gas is a critical policy issue. In the longer term the role of gas in decarbonisation needs to be carefully worked through. It is also clear that gas (including potentially hydrogen) will remain a key component of our journey to Net Zero, as well as a vital part of the energy mix well into the medium term and possibly the very long term too. Xoserve, with its in-depth knowledge of the complexities of the gas market, is in a unique position to support both the reform of the gas market and the transformation of the energy mix.

I am proud of the team, led by Steph, and their contribution behind the scenes to ensure that the gas market continued to function well through last year's gas market crisis. It was not easy, and many weekends and late nights were given up to ensure the smooth running of the market as suppliers collapsed.

Steph and her team are now mobilising to support Ofgem and BEIS to achieve their ambitions for change, while also gearing up to support the gas market through another difficult winter as gas prices continue to soar. Xoserve has a delicate balance to strike between delivering reliable services to our customers, managing the impact of market volatility and helping the energy market to evolve. We look forward to supporting the gas market across all three dimensions in the year to come.

**Clare Spottiswoode**



# Funding

In 2017, the gas market undertook a thorough review of Xoserve's funding, governance and ownership model (FGO). While the FGO review left Xoserve's ownership arrangements unchanged, it implemented a change in Xoserve's governance and funding arrangements. This was to ensure that all funding was provided directly, by all users of our services and that the funding parties were represented.

## Funding:

Post-FGO funding has been provided directly by;

- Gas Distribution Networks (known as GDNs or DNs.)
- Independent Gas Transporters (IGTs)
- National Transmission System (known as NTS – National Grid Gas)
- Gas Shippers

These constituency groups fund the majority of our service and operate costs (also known as "Manage the Business" or "MTB" costs), based on a combination of;

- An agreed allocation between constituencies for each serviced area, as shown in the table on page 10.
- The individual organisation shares are calculated using the following rules:-
  - o Shippers – By percentage share of meter points with the count taken at the start of each month.
  - o Distribution Networks and IGTs – By percentage share of meter points with the count taken on a fixed date - 1st December each year.
  - o National Grid – Sole NTS organisation, no further breakdown required



Xoserve charges are classified and funded as follows:-

- **General Service Charges**

These are fixed charges split across 15 service areas which describe the day-to-day services delivered under the DSC contract. For each service area there are percentage funding allocations assigned to each customer constituency. These service area percentage allocations are detailed in the Service Delivery and Performance section on pages 10-15.

- **Infrastructure Charges**

- **Change Charges**

The Infrastructure and Change charges represent the investments detailed in year 1 of Xoserve's latest Business Plan. The plan also includes the customer constituents funding allocations for each investment.

The General Service, Infrastructure and Change charges (both in total and by customer constituency) are published each January in the CDSP Annual Charging Statement.

Each February, Distribution Networks, IGTs and National Grid receive a Charging Schedule which details the individual organisation share of the overall constituency charge (split over 12 equal monthly instalments). The Shipper organisations receive a schedule which provides indicative annual charges based on a range meter point totals.

The individual organisation shares are calculated using the following rules:-

- o Shippers – By percentage share of meter points with the count taken at the start of each month.
- o Distribution Networks and IGTs – By percentage share of meter points with the count taken on a fixed date - 1st December each year.
- o National Grid – No further breakdown required.

- **Specific Service Charges**

- **Additional Services Charges**

These are optional services which are invoiced directly to individual organisations each month based on use. The price list for Specific Services can be found in Appendix A of the CDSP Annual Charging Statement. Additional Services are costed and charged on a case-by-case basis.

# Governance and Ownership

Governance matters within Xoserve are steered by our Board and its sub-committees. Governance of the services that Xoserve provides as the CDSP is covered by the committees of the Data Services Contract (DSC), an agreement with Gas Transporters, Independent Gas Transporters (IGTs) and Shippers.

## Xoserve's Board of Directors

Xoserve's Board consists of eight Non-Executive Directors, nominated by our various customer constituencies, with an independent chair as set out below:

- two members nominated by the Gas Distribution Networks (GDNs)
- one member nominated by the National Transmission System (NTS)
- one member by the Independent Gas Transporters (IGTs)
- four members nominated by the Gas Shippers

The Board's role is to challenge, review and oversee the activities Xoserve undertakes, including the preparation of Xoserve's Annual Business Plan.

The Board also has a number of sub-committees to carry out specific duties, allowing the Board to operate more efficiently and concentrate on providing leadership and decision-making for the business. The Board and its sub-committees work closely with the Leadership team to ensure clarity about their roles and that they provide the appropriate level of attention and consideration to relevant matters.

- **Audit and Risk Committee**

The Audit & Risk Committee is dedicated to giving assurance to the Board that internal control and risk management systems are reliable and that we report appropriately on financial performance. The Committee is appointed by the Board, with a minimum requirement of three Directors to be quorate. The Audit Committee, as a sub-committee of the Board, meets as a minimum twice per year to oversee management of the Corporate Risk Register, Internal Audit and Statutory Audit activities.

- **Nominations Committee**

The Nomination Committee is made up of a minimum of three Directors, responsible for reviewing the long and short-term strategy and plans for succession of Chairman and CEO. In doing so, the Committee keeps under review the balance of skills, knowledge, experience, and diversity across the Board and in these roles.

- **Remuneration Committee**

The Remuneration Committee meets as a minimum annually, to review and agree CEO and Leadership remuneration. In addition, the Remuneration Committee considers succession planning for CEO and the Senior Leadership Team to ensure appropriate focus on development of future leadership capabilities.

## Senior Leadership Team (SLT)

Led by the CEO, Xoserve's Senior Leadership Team is responsible for the day-to-day management and oversight of Xoserve and its activities, on behalf of the Board. As a minimum, formally meets twice a month to review operational, financial, customer, stakeholder, strategic and corporate governance matters.



**Dave Turpin**  
Head of Customer,  
Industry &  
Regulatory Affairs



**Eve Bradley**  
Company Secretary  
and Head of  
Cross Functional  
Governance



**James Spicer**  
Head of Finance  
and Support  
Services



**Emma Smith**  
Head of Customer  
Change



**Chris Dwyer**  
Head of Contract  
Management &  
Procurement

## Committees of the Data Services Contract (DSC)

The services that Xoserve provide to industry are set out in the Data Services Contract, or DSC, which governs how these are managed and funded. All market participants accede to the DSC upon entering the market and all signatories to the DSC share the decision-making for services provided under it. Since there are 85 such signatories, decisions are made by three committees, who act on their behalf:

- **Contract Management Committee (CoMC)** - The role of CoMC is to represent customers in the management of the DSC Contract and the performance of the CDSP in relation to the contract. The Committee has 6 transporter and 6 shipper seats, with representatives appointed each October for a period of 1 year.
- **Change Management Committee (ChMC)** - The role of ChMC is to represent customers in the management of change to the DSC. The Committee has 6 transporter and 6 shipper seats, with representatives appointed each October for a period of 1 year.
- **Credit Management Committee** - The role of the Committee is to assist the CDSP in connection with the management of credit risk to ensure customers operate within the Credit Rules and to minimise the risk of avoidable financial loss. The Committee has a minimum of 3 shipper seats and 3 transporter seats, with representatives appointed each October for a period of 1 year.

Committee meetings are chaired, organised and administered by the **Joint Office of Gas Transporters**. The Joint Office oversees the process for the appointment of voting representatives.

# Service Delivery and Performance

## Our services

Xoserve delivers a wide range of services to our customers to support their participation in the market, from entry to exit, and covering data transfer and visualisation, demand estimation, market adjustments and industry performance, transportation invoicing/ settlement and energy balancing settlement.

These services are described in detail in the Service Line Description Table, which forms part of the DSC. Our annual MTB budget reflects the costs of delivering these services to customers.

The services are categorised into 3 areas:

- **General Services**
- **Specific Services**
- **Additional Third-party services**

## General Services

These are the day-to-day CDSP activities. The individual services are grouped into 15 Service Areas which, in the Business Plan for 2021 (BP21), accounted for approximately 92% of the MTB budget for 2021/22.

The service areas are summarised below:

Area	Service Area	Service description	2021/22 Volumes/ Details	BP21 Cost	Funded by
1	Manage Shipper Transfers	UK Link automated processing of file flows associated with end consumer registrations, switching and supply point data. Includes a share of the UK Link support and service desk costs.  Contracting with, and management of the services provided by the Performance Assurance Framework Administrator (PAFA) and Allocation of Unidentified Gas Expert (AUGE) This included the provision of reports that supported PAFAs management of c.40 performance plans across industry and data extracts to enable the AUGE to support the analysis of Unidentified Gas (UIG) causes and the development of the annual UIG Weighting Factors.  Provision of insights into industry performance through reporting channels.	8.8 million switches  Over 30 Shipper Performance reports provided to PAFA per month.  Over 50 data extracts for use in AUGE analysis work.	£1.145m	100% Shipper
2	Monthly AQ Processes	UK Link automated processing of file flows associated with Annual Quantities (AQ) and Supply Point Offtake Quantities (SOQ).  All activities associated with AQ calculation processes including AQ query resolution.  Also includes monitoring, notification and creation of AQ performance dashboards for Meter Points that have crossed the Class 1 threshold as well as a share of the UK Link support and service desk costs.	148.8 million rolling AQ calculations	£1.035m	100% Shipper

## General Services (continued)

Area	Service Area	Service description	2021/22 Volumes/ Details	BP21 Cost	Funded by
3	Manage Updates to Customer Portfolio	Run and maintenance of the Contact Management System (CMS), including maintenance of the interfaces to and from the UK Link system where updates are required to the Supply Point Register.  Progression of any customer queries raised in CMS, including the investigation, and resolution.  Change to the Contact Management System delivered via minor releases.  Includes a share of the UK Link support and service desk costs	449,037 CMS Contacts  349,892 needing manual interaction	£3.866m	90% Shippers 10% GDNs
4	Meter Read/Asset processing	The automated processing of meter asset and meter read file flows in UK Link. This includes files and notifications associated to;  <ul style="list-style-type: none"> <li>• Exchanges or Updates to records for Traditional Meters, Smart Meters, Automatic Meter Reading Equipment, and Datalogger Equipment</li> <li>• Updates to the Metering Conversion factors that are used to calculate meter volume and energy</li> <li>• Meter readings for all classes of meter points.</li> <li>• Read replacement processes inclusive of daily read error notices.</li> <li>• Generation and notification of estimated opening and transfer readings. Includes a share of the UK Link support and service desk costs.</li> <li>• All activities associated with meter reading processes including meter read validation and rejection, calculating meter volume and energy from the raw meter read data, and calculating consumption adjustments.</li> </ul>	We processed updates to 4.6m assets in 2021-22.  We have a single metric of 1.23bn meter reads processed. This means we also calculated 1.23bn unique metered volume and energy values.	£1.053m	33% Shippers 67% GDNs
5	Demand Estimation Obligations	Demand estimation activities:  <ul style="list-style-type: none"> <li>• develop end-to-end methodology to determine gas demand profiles</li> <li>• manage sampling, collection and validation of daily gas consumption for several thousand meter points</li> <li>• analyse consumption data against variables such as weather and calendar, in order to build demand models which can be used to calculate the estimated consumption for 25m Non-Daily Metered (NDM) meter points</li> <li>• industry consultation and Engagement with Demand Estimation Sub Committee (DESC)</li> <li>• review and maintain the gas industry's weather parameter (the composite weather variable (CWW) and it's 'seasonal normal' version (SNCWW), to reflect the latest consumer and weather patterns.</li> </ul> <p>All of the above is necessary so the team are able to produce Demand Profiles for the next Gas Year which are required as variables to support key industry processes such as NDM Nominations/ Allocation, Capacity Invoicing, AQ calculation and Read Estimation.</p>	<ul style="list-style-type: none"> <li>• Meter Point Data received from 20-30 sample data providers</li> <li>• &gt;50,000 Meter Point Reference Numbers (MPRNs) processed</li> <li>• 27 million daily consumption data records processed</li> <li>• 507 demand models created</li> <li>• Industry meetings supported: <ul style="list-style-type: none"> <li>○ 7 DESC</li> <li>○ 5 UNC workgroup 0754R</li> <li>○ Approx. 1,200 Demand Estimation Customer reports issued</li> </ul> </li> </ul>	£1.850m	50% Shippers 50% GDNs

## General Services (continued)

Area	Service Area	Service description	2021/22 Volumes/ Details	BP21 Cost	Funded by
6	Customer Relationship Management	Provision of Customer relationship management team and services for all Customer constituents. Customer training and education, that includes induction days for new industry entrants, customer expert days where customers are given access to a range of subject matter experts, and change awareness session to ensure stakeholders are fully informed on any industry change.	85 customers Over 400 meetings (virtual and physical) 12 virtual training events: <ul style="list-style-type: none"> <li>3 customer induction days</li> <li>4 customer expert days</li> <li>2 Invoicing Days</li> <li>3 change awareness sessions</li> </ul> Attended by:545 individual customers attendees from 90 different organisations from 9 industry segments Knowledge increase driven by these events (as rated by customer feedback): 65.9% Plus 11 new e-learning modules launched on Xoserve.com.	£3.146m	63% Shippers 9% NTS 28% GDNs/IGTs
7	Customer Joiners/Leavers (UK Gas Market)	The management and support for customers joining and exiting the gas market includes cessation notices, Supplier of Last Resort (SoLR) processes, and invoking deed of undertaking. Acceding parties to the Data Services Contract (DSC) and UK Link User Agreement, creation and removal of access to UK Link. Management of the Market Domain Data (MDD) and arranging User agent agreements IX installation, change and removal of equipment services.	Onboarded into the market: <ul style="list-style-type: none"> <li>15 Shippers/ traders</li> <li>40 Non-Shippers</li> </ul> Supported Market exits: <ul style="list-style-type: none"> <li>13 Shippers</li> <li>31 Non-Shippers</li> </ul> Managed: <ul style="list-style-type: none"> <li>340 customer queries</li> <li>69 changes of invoicing details</li> <li>54 Information Exchange (IX) service requests</li> </ul> Implemented new processes (MOD0788) to enables Suppliers to use other Shipper relationships to source additional supplies of gas)	£0.880m	50% NTS 50% GDNs
8	Energy Balancing (Credit Risk Mgmt.)	All activities in respect of energy balancing credit risk management, debt collection, and management of neutrality.	1,755 Energy Balancing invoices produced, validated, and issued on behalf of National Grid Net value of £42.8m	£1.183m	100% NTS
9	Customer Reporting	Creation, maintenance, and distribution of reporting, both for external Customers and management information required internally. Includes a share of the UK Link support and service desk costs.	>8,000 reports issued to DSC Customers	£1.797m	34% Shippers 7% NTS 59% GDNs/IGTs

## General Services (continued)

Area	Service Area	Service description	2021/22 Volumes/ Details	BP21 Cost	Funded by
10	Invoicing Customers	Creation and issue of invoices for: <ul style="list-style-type: none"> <li>Gas transportation on behalf of National Grid Transmission and the distribution networks</li> <li>DSC services provided by Xoserve</li> </ul> Covers: UK Link automated calculation and creation of NTS and LDZ capacity, commodity, reconciliation, balancing and request to bill invoices (e.g., failure to supply gas). Also includes a share of the UK Link support and service desk costs. Validation and approval of invoices prior to issue and management of any Customer queries raised against an invoice.	29,637 invoices issued to DSC Customers 29,674 invoices produced, validated and issued on behalf of the Distribution Networks Capacity invoices to value of £3,671m Commodity invoice to value of £218.6m	£7.734m	12% NTS 88% GDNs
11	Management of Customer Issues	Management and communication of Customer impacting issues including <ul style="list-style-type: none"> <li>System issues; P1, P2s and high priority P3s</li> </ul> A sudden failure of a system or service that requires an immediate response to restore the service; these are primarily managed via the Major Incident Management process within Tech Ops, with the Issue Management team as a supporting service <ul style="list-style-type: none"> <li>Defects</li> </ul> Often are items which become apparent through the normal course of business where the functionality implemented does not result in the expected outcome. These are managed via the Defect Management process with input from the Issue Management team to highlight the customer impact to the development teams and communicate updates and any supporting data to customers impacted <ul style="list-style-type: none"> <li>Data security issues (potential data breaches)</li> </ul> Supporting the Information Security Team perform an initial impact assessment and investigation to a potential incident and further with the with response, messaging and onward liaison with customers impacted <ul style="list-style-type: none"> <li>Process Issues</li> </ul> Any other, non-system related failures, perhaps with a manual part of a process that could potentially cause a negative impact to a customer Issue management coordination both internally and externally and the data provision required both during and post incident resolution.	9 Major incidents 48 Customer impacting issues with systems or processes recorded 91 customer impacting defects identified of which 61 have been resolved 21 defects were AQ impacting and 13 Amendment invoice impacting	£0.768m	40% Shippers 5% NTS 55% GDNs/IGTs

General Services (continued)

Area	Service Area	Service description	2021/22 Volumes/ Details	BP21 Cost	Funded by
12	Customer Contacts	Service desk operation.  Telephony service for the domestic enquiry telephone service line.	107,747 Customer phone calls received  6708 queries raised; 6729 queries resolved* *Difference due to queries being resolved in a different month to when they were raised (increase of 22% on previous year)  4850 Incidents raised & 4885 resolved** **Difference due to Incidents being resolved in a different month to when they were raised  Raised via the following channels: Email 2162 Xoserve.com 1559 Phone 246 Self-Service 883  14278 Service Requests raised with 14327 closed & resolved*** ***Difference due to requests being resolved in a different month to when they were raised  Raised via the following channels: Email 9329 Phone 2416 Portal 2533	£2.888m	50% Shippers 6% NTS 44% GDNs/ IGTs
13	Managing Change	Development, governance, delivery, and assurance of change outside major change programmes. The investment funding excludes Gemini change.	See General Uniform Network Change – General Terms, section D, 3.5	£14.644m	52% Shippers 7% NTS 40% GDNs 1% IGT

General Services (continued)

Area	Service Area	Service description	2021/22 Volumes/ Details	BP21 Cost	Funded by
14	Gemini Services (General)	Gemini automated processing of file flows between the Gemini and UK Link system, the operation and support of the Gemini system, monitoring performance and incident management. Includes the provision of essential maintenance.  Change management: the development, governance, delivery, and assurance of Gemini change.	8,000+ Gemini users  £3bn revenue calculated and collected  250 external integrations  28 core business processes	£5.815m	100% NTS
15	Value Added Services (General)	The Data Discovery Core platform is a data visualisation tool, used to access reporting information. It enables customers to <ul style="list-style-type: none"> <li>query their organisation's data (through pre-configured logon)</li> <li>create bespoke reports via a personalised dashboard, removing the need to raise service requests</li> <li>visualise data using a range of chart tools and comparison screens to gain insights, evaluate and reacting to industry changes and trends</li> <li>use trend analysis to identify opportunities for improving data accuracy or process performance</li> <li>access the detail sitting between high-level key performance indicators to support decision making</li> </ul>	141 organisations using 8 API (application interfaces) with average of 5.25m calls per month  55 dashboards providing 250 dashlets. Each Dashlet provides visual insight that aligns with specific customer requests, an example may be Shipper Read Performance against industry obligations.  2tb of data, 4 billion rows and c.800 data items exposed to customers.  1,365 users registered to user DDP.	£1.802m	80% Shippers 20% GDNs/ IGTs



### Specific services

These are optional services invoiced based on use.

There are around 60 such services which customers can select, including services such as Information Exchange (IX) annual maintenance, Must Reads, and Reporting. These accounted for approximately 7% of the MTB budget for 2021/22.

A full list of the Specific Services offered during 2021/22 can be found in the CDSP Charging Statement.

### Additional and third-party services

DSC Customers can request Additional Services under the DSC. Third Party Customers, such as Meter Asset Managers and providers, central bodies, and Suppliers, can only request designated services (e.g IX or Switchstream) from the CDSP without express permission from the DSC Contract Management Committee to receive any other Additional service.

Examples of Additional Services under the DSC include ad-hoc individual reporting, APIs, consultancy, Training and testing support.

The charges for these services are invoiced directly to the relevant organisation, based on use. These account for the final 1% of the MTB budget for 2021/22.

The following documents, which are published on the [Joint Office website](#), provide additional information on the CDSP Service Areas:

- CDSP Service Description – which provides an overview of the Services that Xoserve provides, including a description of the Service Areas.
- CDSP Service Line Description Table – which lists the lower-level activities which make up each Service Area
- Budget and Charging Methodology - which includes the percentage funding allocations for each General Services Service Area, for each customer constituency (i.e., Shippers, GDNs, NTS, IGTs), along with explaining how individual organisation charges are derived (via meter point market share) from the constituent total.
- CDSP DSC Annual Charging statements – which details the Customer constituency charges to be paid for the General Services Service Areas along with the prices of each Specific Service offering.

## Operational performance statistics

Between 1 April 2021 and 31 March 2022



Total number of files processed - **12 million**



Total number of invoices issued - **29,647**



Total number of successful shipper confirmations (switches) - **8.8 million**



Total net value of Capacity invoice charges issued out on behalf of the DNs - **£3,671.7 million**



Total number of meter reads processed on UK Link - **1.23 billion**



Total net value of Commodity invoice charges issued out on behalf of the DNs - **£218.6 million**



Total number of rolling Annual Quantity calculations - **148.8 million**



**1755** - EBI invoices produced, validated, and issued on behalf of National Grid



Around **3 million** customer switches



**£42.8 million**- total net value of EBI invoices Networks



Over **1 billion** meter reads



Around **£4 billion** in invoices for gas transportation



More than **1 million** changes to gas meter details

# Looking after Customers

## Customer Engagement

We manage a multitude of different customer groups from across the industry, all of whom have very different business drivers and therefore requirements from the CDSP.

We break our customer down into 5 segments:

<b>Shippers</b>	Organisations that buy gas from producers. They may also store gas with a storage operator to help it manage the balance between its supplies and consumer demand.
<b>National Grid (NTS)</b>	National Grid owns and operates the national high-pressure network connecting Gas Transporters (distribution networks) and connection customers.
<b>Gas Transporters (GDNs) and Independent Gas Transporters (IGTs)</b>	Distribution networks own and operate the local network of pipes that transport the gas from National Grid's National Transmission System (NTS) to homes and businesses. Independent Gas Transporters (IGTs) build, own and operate local networks, connecting new business and consumer properties to the NTS via distribution networks
<b>Suppliers</b>	Organisations that buy gas from Shippers and sell it to consumers. Consumers pay suppliers for the gas they use.
<b>Other industry customers</b>	Our customers within the energy industry also include Meter Equipment Managers (MEMs), industrial and commercial (major energy users), housing associations, meter reading agencies and automatic systems providers.

The provision of a single set of mutualised services to such a varied group of customers creates a challenging business dynamic. To address this, we have a Customer Experience function that is responsible for ensuring the differing needs of these customer groups is managed on a day-to-day basis, building and nurturing key customer relationships. Each customer group has a dedicated contact whose role it is to understand and advocate the needs of that group. They are also responsible for making sure the wider CDSP has the intelligence and understanding from each of these groups.

Customer engagement is tailored to each group, focusing on the topics that are most relevant to them, and soliciting feedback on our services in both individual and customer constituency meetings alongside other more formal governance committees.

Our Operational teams are in daily contact with customers ensuring that customers are connected to the experts within our organisation to be able to respond to queries, answer phone calls, respond to issues and support customers with their business needs.

Over the 12-month period April 2021 and March 2022 we have received and dealt with:

Call Line	Total Number of calls
CMS Helpline phone contacts	566
Commercial phone contacts	3,696
Consumer Enquiry phone contacts	42,575
Data Search phone contacts	54,380
Find my supplier phone contacts	7,096
Customer Queries raised	6,708
Customer Complaints raised	68
Service Incidents reported	4,850
Service requests raised	14,278
<b>Total Customer Contacts</b>	<b>134,217</b>

Customer feedback is really important to us as we drive customer experience improvements through our business. We undertake an annual benchmarking survey each year through Institute of Customer Service (ICS). This is a key strategic measure, and we use the results and feedback we gain from this exercise to drive our Customer Experience (CX) strategy and improvements. This year's results are as follows:

## Institute of Customer Service (ICS) 2021 Results

ICS Measure	2021/22	Net difference from 2020/21
<b>UKCSI</b> (0-100)	74.2	-0.8
<b>Net Promoter Score (NPS)</b> (-100 to +100)	7.5	+9
<b>Customer Effort (CE):</b> (0-10 – lower the better)	4.3	+0.2
<b>Right First Time (RFT):</b>		
· yes	52.9%	+10.2%
· no	25.3%	-2.7%
· don't know	21.8%	-7.5%

Our results have improved over the previous year in a number of areas. ICS provides a detailed report following the survey which provides comprehensive information and customer feedback. This in turn drives our CX Strategy direction and roadmap so that we can ensure that customer feedback is taken into account and acted upon. So whilst we continue to improve, we are very mindful that there is still work to do.

## Customer Trust Scores

In addition to the annual benchmarking survey, we also undertake a quarterly survey with customers to understand their trust in the delivery of CDSP services. Our target was 95% and the outturn for the year can be found below:

Period	Overall Trust Score
Q1 21,22 Jun 21	86.08%
Q2 21,22 Sep 21	71.76%
Q3 21,22 Dec 21	84.95%
Q4 21,22 Mar 22	69.69%

The survey has shown some deterioration in the trust levels of our customers which we have been keen to address over the course of the year. Listening to customers, this feedback comes following the separation of Xoserve and Correla, with some confusion around the purpose and new relationship between the two organisations. There have been a number of reviews following this feedback and we have specifically looked at how we manage customer interactions and relationships as a result. In particular, customers were keen to express concern about the Decarbonisation project was being managed from within Correla. Customers felt strongly that this important and strategic project would be better served directly from within Xoserve. As a result, the activity and industry expertise were moved into Xoserve to ensure that customer needs were represented from their direct contracting party.

We continue to review our Operating Model to ensure that it remains appropriate and relevant to our customer need ensuring we get the right balance between nurturing key customer relationships and connecting our customers directly with the appropriate expert.

## Service Management

During 2021/22 we continued to make improvements to our service management.

These improvements have benefited our Customers by realising:

- a 70% reduction in service incidents over the last 12 months
- a reduction in average fix times by 22% for all incidents
- a reduction in open tickets by 75% compared to February 2020

## Major incidents

In 2021/22 Xoserve saw an 80% reduction in the number of in major incidents.

This was as a result of a continuous improvement framework, risk management processes, and investments into service management processes and tooling.

Six of the 13 major incidents occurred in the first half of the year, with only three in the last six months. This further evidences our ongoing commitment to identifying opportunities for improvement.

One of the major incidents occurred in March 2021 with the UK Link file flow system. This was identified as a rare fault in the SAP software that required a global patch (a piece of programming designed to resolve functionality

issues) to resolve. We recognised that we could improve on how the incident was managed. Xoserve conducted a post-incident review and created a service improvement plan, consisting of 62 recommendations. Progress against the plan was shared regularly with the DSC CoMC to ensure all actions were completed, the expected benefits and outcomes were delivered.

Although forums to review the incident were well received, they highlighted the need for a deeper understanding of the impact a major incident has on Customers' operations. In addition, our incident management now includes the retention periods of files within IX and defines the escalation timescales with service providers.

## Managing the "Customer Lifecycle"

As noted in section 7 of 'Our Services' on page 12, Xoserve manages the process of customers joining and leaving the gas market. This includes:

- User admissions
- Terminations, including Suppliers of last Resort (SoLR)
- Voluntary discontinuance
- Management of Emergency contact details
- Sanctions
- Specific services – validate, arrange and invoice

In 2021/22 we saw an exceptionally high turnover of market participants, heavily influenced by the gas crisis. We:

- Onboarded 15 Shipper or traders and 40 Non-Shippers
- Supported Market exit of 13 Shippers and 31 Non-Shippers
- Managed 340 Customer Queries mainly from Local Security Officers (LSO)
- Created or updated 69 organisations within Xoserve's invoicing systems
- Managed 54 Information Exchange (IX) service requests
- Delivered new processes following change implementation:
  - o MOD0788 which enables Suppliers to utilise other Shipper relationships to source additional supplies of gas
  - o MAP/MAM SFTP interface

In Autumn 2021, a (then) unprecedented rise in gas prices resulted in a substantial rise in the cases of failing suppliers and the consequential appointment of SoLRs, creating significant additional workload. The new fixed price arrangement with Correla enabled us to manage the activities relating to this without an increase in costs, insulating our Customers from further cost pressures as a result.

We formed a dedicated task force comprising internal experts and those from our service providers, to work closely with Ofgem and industry stakeholders to reinforce and automate the SoLR process. This helped minimise the impact on end consumers, as well as supporting the operations of remaining industry participants. We worked closely and sensitively with one of our largest Shipper Customers, supporting them to achieve a difficult but controlled exit from the market, while minimising the operational impact to other Customers. This activity significantly reduced financial losses that the gas market had to bear.

The teams received very positive feedback from the gas Transporters on how this activity was managed through their open and regular engagement.

Work on the exit process enabled us to:

- undertake 34 unique SoLR and Shipper terminations
- quickly reshape many meter portfolios to support with energy balancing projections
- work closely with Ofgem to introduce UNC MOD 788, allowing Xoserve's Supplier Customers to create new partnerships and source gas in the event of their Shipper being terminated

As CDSP Xoserve supported:

- the migration of 2.5 million sites from UK Link to a new Supplier or Shipper as a result of a SOLR and/or Shipper termination event
- portfolio migration and restructure activity of 3 million sites following mergers and acquisitions within the shipper and supplier markets
- 3.6 million confirmations (sent by Shippers to Xoserve confirming (or cancelling the confirmation) ownership of an end consumer supply) processed during that quarter into UK Link.

## Service Performance for 2021/22

### Key Performance Measures (KPMs) and Performance Indicators (PIs)

Xoserve's service performance is measured through a set of Key Performance Measures (KPMs) and Performance Indicators (PIs) which are aligned to the Service Areas described in the previous section. These were built and agreed with customers via the Contract Management Committee and became effective in August 2020.

KPMs and PIs are reported monthly at the DSC Contract Management Committee.

Performance for the year is shown in the table on the next few pages.

Key:	
KPM	Key Performance Measure
PI	Performance Indicator
Target	DSC Target
Measures:	
RFT	Right First Time (a measure of 'Do we provide the expected outcome to the Customer at the first time of asking')
CT	Cycle Time (a measure of 'Did we deliver something within the agreed Service Level Agreement (SLA)')
CE	Customer Effort (a measure of 'how easy is it for Customers to deal with Xoserve as measured through the Institute of Customer Service survey?')
OTD	On time delivery (On-Time Delivery – a measure of 'Do we provide the outcome to the Customer in-line with agreed SLAs/timescales?')

## Service Performance for 2021/22

Ref	Measure	Target	Type	Performance 2021/22	Performance 2020-21
<b>1. Manage Shipper Transfers</b>					
KPM.01	% of shipper transfers processed	100%	RFT	Achieved 10 out of 12 months. Apr '21 performance 97.79% (due to UKL File Processing P2 incident). Sep '21 performance 99.99% (due to P2 production outage).	Achieved every month.
KPM.06	% processed within the Completion Time Service Level in DSC	100%	CT	Achieved 9 out of 12 months. Apr '21 performance 88.80% (due to UKL File Processing P2 incident). Sep '21 performance 99.99% (due to erroneous transfers defect). Dec '21 performance 99.91% (due to SAP Landscape Transformation triggers put in place by Move to Cloud project to migrate the data causing a degradation in SAP performance).	Achieved every month.
<b>2. Monthly AQ Processes</b>					
KPM.04	% of AQs processed successfully	100%	RFT	All months achieved between 99.93% and 99.99%. Average 99.96%. A small number of exceptions arise each month which either pause the process or require manual rework.	Average of 99.97% achieved throughout the year.
KPM.05	% of total LDZ AQ energy at risk of being impacted	0.75%	RFT	Achieved 9 out of 12 months. Jul '21 (0.78%), Nov '21 (0.89%) & Dec '21 (0.87%). Failures due to defects that required profiling.	Achieved in 3 of the 9 months reported.
KPM.08	% Notifications sent by due date	100%	CT	Achieved every month.	Achieved in 10 out of 12 months.
<b>3. Manage updates to Customer portfolio</b>					
PI.01	% CMS Contacts processed within SLA	95% in D+10	CT	Achieved 1 out of 12 months. All months achieved between 89.41% and 94.71%. Average 93.09%. Performance partially impacted by lockdown restrictions as site visits took Networks longer to organise. Also impacted by higher-than-average Request for Adjustment (RFA) volumes.	Exceeded in 9 of 12 months.
PI.02	% CMS Contacts processed within SLA	80% in D+4	CT	Exceeded every month.	Exceeded every month.

## Service Performance for 2021/22

Ref	Measure	Target	Type	Performance 2021/22	Performance 2020-21
PI.03	% CMS Contacts processed within SLA	98% in D+20	CT	Achieved 2 out of 12 months (Feb and Mar '22). All other months achieved between 93.94% and 97.58%. Average 96.98%. Performance partially impacted by lockdown restrictions as site visits took Networks longer to organise. Also impacted by higher-than-average Request for Adjustment (RFA) request volumes.	Exceeded/Achieved in 4 of 12 months.
PI.08	% of valid CMS challenges received	Previously submitted Contacts less than 1%	RFT	Exceeded every month.	Exceeded every month.
<b>4. Meter Read/ Asset Processing</b>					
KPM.02	% of meter reads successfully processed	99.50%	RFT	Achieved 11 out of 12 months. Apr '21 performance 98.45%. (due to UKL File Processing P2 incident).	Achieved every month.
KPM.03	% of asset updates successfully processed	99.50%	RFT	Exceeded every month.	Exceeded every month.
KPM.07	% of requests processed within the Completion Time Service Level in DSC	100%	CT	All months achieved between 99.70% and 99.99%. Average 99.97%. A small number of exceptions arise each month which either pause the process or require manual rework.	Achieved in 5 of 12 months.
<b>5. Demand Estimation obligations</b>					
PI.10	Confidence in DE Team to deliver DESC obligations	75% via survey of DESC Members	RFT	Exceeded both occasions.	Exceeded both occasions.
PI.11	DESC/ CDSP DE obligations delivered on time	100%	CT	Achieved every month.	Achieved every month.
<b>6. Customer Relationship Management</b>					
PI.12	KVI relationship survey	95% Starting to Trust	RFT	Average: 69.817%. Overall scores impacted by Xoserve's restructure which resulted in 'Too early to say' being a common response.	Average: 88.16%.
PI.15	Survey results delivered to CoMC in Month +1	100%	CT	Achieved throughout the year.	Achieved throughout the year.

Ref	Measure	Target	Type	Performance 2021/22	Performance 2020-21
<b>7. Customer Joiners/ Leavers (UK Gas Market)</b>					
PI.16	% closure/termination notices issued in line with Service Lines (leave) Shipper	100%	CT	Achieved every month.	Achieved every month.
PI.17	% key milestones met on readiness plan (join) Non-Shipper	100%	CT	Achieved every month.	Achieved every month.
PI.18	% key milestones met on readiness plan (join) Shipper	100%	CT	Achieved every month.	Achieved every month.
PI.19	% of closure notices issued within 1 business day following last exit obligation being met (leave) Non-Shipper	100%	CT	Achieved every month.	Achieved every month.
PI.20	% of exit criteria approved and account deactivated within D+1 of cessation notice being issued (leave) Shippers	100%	RFT	Achieved every month.	Achieved every month.
PI.21	% of exit criteria approved and account deactivated within D+1 of cessation notice being issued. (leave) Non-Shippers	100%	RFT	Achieved every month.	Achieved every month.
PI.22	% of readiness criteria approved by customer (join) Non-Shippers	100%	RFT	Achieved every month.	Achieved every month.
PI.23	% of readiness criteria approved by customer (join) Shippers	100%	RFT	Achieved every month.	Achieved every month.
<b>8. Energy Balancing (Credit Risk Management)</b>					
PI.24	% of revenue collected by due date	98%	CT	Achieved in 10 out of 12 months. Performance impacted during 2 months (Sept '21 = 97.13% and Nov '21 = 95.75%) as a result Shippers failing in market.	Achieved in 11 out of 12 months.
PI.25	% of revenue collected by due date (+2 days)	100%	CT	Achieved in 10 out of 12 months. Performance impacted for 2 months (Oct '21 = 98.36% and Nov '21 = 96.06%) as a result of Shippers failing in market.	Achieved every month.

## Service Performance for 2021/22

Ref	Measure	Target	Type	Performance 2021/22	Performance 2020-21
PI.26	Energy Balancing Credit Rules adhered to, to ensure adequate security in place	100%	RFT	Achieved every month.	Achieved every month.
<b>9. Customer Reporting (all forms)</b>					
PI.06	% of reports dispatched on due date against total reports expected	100%	CT	Achieved 11 out of 12 months. Mar '22 performance 99.37% (due to issues encountered with first run of reports which delayed dispatch).	Achieved in 10 out of 12 months.
PI.07	% of RFT against all reports dispatched	99%	RFT	Achieved 11 out of 12 months. Jul '21 performance 98.50%	Achieved every month.
<b>10. Invoicing Customers</b>					
KPM.09	% of invoices not requiring adjustment post original invoice dispatch	98%	RFT	Achieved 11 out of 12 months. Nov '21 performance 86% (due to commodity charges being misallocated across 373 invoices).	Achieved/ exceeded every month.
KPM.10	% of DSC customers that have been invoiced without issues/ exceptions (exc. AMS)	100%	RFT	Achieved 11 out of 12 months. Nov '21 performance 59% (due to 373 commodity charge adjustments being required due to misallocation).	Achieved/ exceeded every month.
KPM.11	% customers DSC with less than 1% of MPRNs which have an AMS Invoice exception	97%	RFT	Exceeded every month.	Achieved/ exceeded every month.
KPM.12	% of invoiced sent on due date	100%	CT	Achieved every month.	Achieved/ exceeded every month.
KPM.13	% of exceptions resolved within 2 invoice cycles of creation date	100%	CT	All months achieved between 98.87% and 99.66%. Average performance 99.35% (due to the volume of exceptions that occur being linked to defects or CRs).	Achieved in 1 out of 12 months.
<b>11. Management of Customer Issues</b>					
PI.13	Plan accepted by customers & upheld (Key Milestones met as agreed by customers)	90%	CT	Achieved/exceeded every month.	Achieved in 9 out of 12 months.

Ref	Measure	Target	Type	Performance 2021/22	Performance 2020-21
PI.14	Provision of relevant issue updates to customers accepted at CoMC and no negativity on how the issue is managed	100%	RFT	Achieved every month.	Achieved every month.
<b>12. Customer Contacts</b>					
KPM.17	% of tickets not re-opened within period	95%	RFT	Exceeded every month.	Exceeded every month.
KPM.18	% of customer tickets (incidents & requests) responded to within SLA	90%	CT	Exceeded every month.	Exceeded every month.
PI.04	% customer queries responded to within SLA/OLA	90%	CT	Exceeded every month.	Exceeded in 9 out of 12 months.
PI.05	% of queries resolved RFT	95%	RFT	Exceeded every month.	Achieved/ exceeded in 8 out of 12 months.
PI.09	% of Telephone Enquiry Service calls answered within SLA	90% within 30 seconds	CT	Exceeded every month.	Exceeded every month.
<b>Core Service Availability</b>					
KPM.19	UK Link Core Service Availability	99.6%	CT	Exceeded every month. UK Link system annual availability is 99.98% (far exceeding the 99.6% target).	Exceeded every month.
KPM.20	Gemini Core Service Availability	99.6%	CT	Exceeded every month. Gemini system annual availability was 99.96%.	Exceeded in 11 out of 12 months.
<b>13. Managing change</b>					
KPM.14	Number of valid P1 and P2 defects raised within PIS period relating to relevant change (excluding programmes)	0	RFT	Achieved 10 out of 12 months. Apr '21 had 1 failure due to UKL File Processing P2 incident. Sep '21 had 1 failure due to P2 production outage".	Achieved in 8 out of 12 months.

## Service Performance for 2021/22

Ref	Measure	Target	Type	Performance 2021/22	Performance 2020-21
KPM.15	Number of valid P3 defects raised within PIS period relating to relevant change (excluding programmes)	4	RFT	Achieved/exceeded every month.	Achieved/ exceeded in 9 out of 12 months.
KPM.16	Number of valid P4 defects raised within PIS period relating to relevant change (excluding programmes)	5	RFT	Achieved/exceeded every month.	Achieved/ exceeded every month.
PI.27	% of Level 1 milestones met	95%	CT	Exceeded 8 out of 12 months – Average monthly score was 96.96% for April 21 – March '22. Jun '21 = 92%. Performance 92% due to a Protecting against Cybercrime project. Aug '21 = 87.5% & Oct '21 = 92.3%. Performance was due to Move to Cloud programme. Mar '22 = 91.7%. Performance due to Cloud Access Security Broker (CASB) (SIP2) - Phase 2.	Exceeded (100%) every month.

We have always been involved with engaged and service minded people by Xoserve/Corella.  
- customer feedback

My journey with Xoserve has been fantastic and I can't praise enough the help, explanation, speed and how easy the process has been made to understand and sign up to the various process's. Xoserve led me step by step on the many forms to sign, explained what we needed as a company and what we didn't. Far exceeded my expectations.  
- customer feedback

The e-learning is amazing, in the years I've worked in the industry I haven't seen such comprehensive training materials.  
- customer feedback

We are really pleased with the responsiveness of Xoserve / Correla and the engagement levels over other industry parties.  
- customer feedback

I have had a positive experience with Xoserve so far, the people at Xoserve / Correla have been really really helpful.  
- customer feedback

[Who I engage with at Xoserve] is fantastic and if I ever get really stuck with certain things, he will point me in the right direction and gets back to me straight away. We have used him for years and he has been a massive help to us. He goes that extra mile if you have a problem even if it is not his domain.  
- customer feedback

# Investments and Change Programmes

## Investments

In addition to the day to day operation of the wholesale gas market, Xoserve delivers a range of industry-wide changes and investments. The rationale, impacts and benefits, alongside their costs to deliver, are described within Xoserve's annual Business Plans. The funding for each investment is split between different groups of Customers.

In BP21 we grouped these industry changes into core focus areas, called investment areas.

As a reminder, we've outlined the investment areas and investments funded by BP21 below (in 2020/21 prices).

Investment Theme	Investment	BP21 £000s
Exceptional Customer Experience	CRM	£100k
	Digital	£370k
	CMS	£600k
	Customer journey continuous improvement	£50k
	Improvement in customer communications	£150k
	Customer Service Centre	£200k
Opening up our Data	Timely and open data	£1,180k
	Governance of data	£630k
Gemini Roadmap	Gemini enhancements	£2,980k
	Future of Gemini	£1,957k
UK Link Roadmap	UK Link service essentials	£555k
	Capacity for change	£2,517k
	Core platform migration	£5,244k
General Annual Retail Energy Code (REC) change	CSS	£13,000k
General Annual Unified Network Code (UNC) Change	DSC change budget	£3,590k
	Non-standard data items for reporting	£110k
	Decarbonisation	£1,500k
TOTAL		£39,043k

Over the remainder of this section, we will review what has been delivered under each of these Investment Areas.

# Investment Themes

## Exceptional Customer Experience

*"We're relentlessly seeking to make every customer contact an exceptional experience through our multi-channel services."*

During the consultation for BP20, customers agreed to fund a three-year Customer Experience Transformation Programme. This Programme was a strategic priority for Xoserve to respond to customer feedback, with the specific target of improving the Right First Time, On-time Delivery and Customer Effort scores across all customer touchpoints. In BP21, the second year of the Programme, was included under the "Exceptional Customer Experience" theme.

### Customer Journey Continuous Improvement

During 2021-22 we continued to map and review key customer journeys, allowing us to identify pain points and target improvement opportunities across all systems and services.

Key successes:

- **Invoicing:** Identified opportunities to remove waste and automate some of the key processes which ultimately contributes to improved KPMs and PIs as well as reducing opportunity for manual errors.
- **Change:** A thorough end to end review following negative customer feedback to better understand customer pain points and opportunities for improvement. Several immediate improvements have been introduced to ensure the more efficient flow of change through the process, saving customers time in engaging with us to agree changes. Further activity is planned in 2022-23 which will realise further benefit

### Customer Relationship Management (CRM)

In BP21 we committed to continuing the rollout and embedding of our Customer Relationship Management (CRM) tool.

CRM is now the primary tool that we use to manage, track and record customer level interactions and how we coordinate our external communications. We're continuing to develop it further, by growing self-service capabilities for all our customers through investment in CRM and digital platforms.

During 2021-22, we have:

- Continued to develop CRM to immediately route queries to the right team – reducing query response times by 30% and increased Right First Time (RFT) to 99.99%

- Improved our 'customer 360' account review profiles, supporting core relationships and enabling us to better target communications
- Introduced further automation, improving consistency and accuracy of our customer contacts
- Introduced a specific route for issue management communication to improve timely handling of Customer issues.

### Contact Management Service (CMS) - Rebuild

Our CMS provides the ability for DSC customers to query and update data within their portfolio. It's an ageing system which requires a rebuild as some components are going out of support. This provides an opportunity to take advantage of new technologies and make the facility easier for our customers to use.

To that end, during 2021/22, we have:

- held 50 Customer Workshops to understand the "As-Is" and document the "To Be" processes
- Identified in excess of 200 pain points and 500 customer requirements for the new system

This requirements capture work will ensure that the new solution will be a significantly better experience for our customers, reducing customer effort, manual errors and increasing right first-time percentages. During the year the decision was taken, in agreement with customers, to move from a replacement system developed by Xoserve to a solution based on a 'Software as a Service' approach, funded by a flat subscription cost. The funding from customers for this investment in 2021-22 has been retained to contribute to the first year's subscription costs.

### Improving Customer Communications

In BP20 we made a commitment to improve our customer communications which had been a cause for negative



customer feedback. In 2021-22 we continued the improvement activity through further training and support for our customer facing teams to enable them to communicate in a more consistent and customer-focused way.

As a result, we have:

- Improved the quality of issue management communications by better utilising our Customer Relationship Management (CRM) tool, our new Service Management toolset and enhancements to xoserve.com. We've focussed efforts specifically on enhancing our ability to provide clearer, timely and more meaningful communications when issues arise, which customers have positively acknowledged during feedback.
- We identified 8 key capabilities required to deliver an excellent experience for our customers and focused on upskilling key people in these areas. This has led to a new internal customer service capabilities training for our customer-facing teams. These 8 capabilities were:
  - o Communicate effectively with customers
  - o Display a strong customer service attitude
  - o Maintain service through effective handover
  - o Provide a quality and reliable customer service
  - o Improve and develop the customer relationship
  - o Manage customer queries, requests and problems
  - o Champion customer service
  - o Development in customer service

Our 2021-22 ICS survey results show an increased satisfaction score for both customer contact via website (a four year high of 77.5) and email (from 71.1 last year to 72.5 this year). However, there is still room for further improvement, with adverse feedback still being received from customers within survey responses and on our communication around change programmes.

### Digital

During 2021-22 we continued to make enhancements to our website to increase self-serve opportunities for our customers and support the reduction in customer effort when needing to contact us. Self-serve supports customers proactively and quickly accessing the information they need, rather than having to raise queries or be routed through a service desk.

The key improvements we have made to the website include:

- Reflecting the views shared by customers during our consultation with them on the information architecture. Introduced a new site navigation, along with new 'landing' pages and refreshed news and events sections. In addition, the site also highlights 'hot-topic' content areas, such as outages, Covid-19 and SoLR communications with a new header, appearing universally across the site.
- Improved the site's look and feel through visual improvements, making content more accessible and digestible.
- Improved the site's search functionality – our bigger, easier to spot search field now has a helpful auto suggest feature, a new A-Z search results and a feature to explain industry jargon.
- Introduced new signposting components, which helps us highlight useful content and information for visitors to the site
- Re-written large parts of the site to support new user journeys.
- Aligned our information architecture with key tasks, removing unnecessary industry jargon.
- There have been improvements to how customers access change information by introducing a new change register and one clear concise view of change documentation.

Through these improvements, we are looking to help customers find and understand useful information faster than before, which has been seen in the ICS survey results where our website was the most improved channel in customer satisfaction scores – increasing from 57.1% to 75.7% (ICS score 2020/21).

### Looking ahead

Ongoing focus for Customer Experience development now centres around further improvement of our Digital channels.

We will continue our transition from a content-based website, with static information and documents, to an outcome-based website, that helps customers complete tasks that add value to their business. Making such changes in a way that is tailored to customer segments and facilitates true self-service, will reduce customer effort, and reduce the need to raise queries.

## Opening Up Our Data

**By providing access to increased volumes of data via self-serve channels, reducing data latency (from 2+ days to 1 day) and increasing the level of insight on Customers portfolios, we're continuing to improve how we manage and provide data to our DSC Customers.**

In BP21, our Opening up our Data investment theme consisted of two investment areas, Timely and Open Data and Governance of Data.

### Timely and Open Data

The Data Discovery Platform (DDP) is a data visualisation tool available to customers for accessing reporting information, spotting anomalies, complying with regulatory obligations and taking informed decisions. DDP provides customers with the ability to query and understand customer organisation's data at their convenience, delivering the following benefits:

- an increase in data availability and flexibility reduces the need to raise specific reporting change requests – saving customers time and money.
- the availability of bespoke reports, without waiting for a sample request.
- data visualisations provide clear insights for evaluating and reacting to industry changes and trends. High level graphs and charts provide easy visibility of key metrics and outliers, identifying areas of interest and concern. Linking this to the lower-level meter point data allows further accessibility for further investigation and enables customers to take action if needed.
- access trend analysis enables identification of new opportunities to improve performance.
- to support decision making in being able to switch between high-level key performance indicators and low-level granular data – accessibility of the lower-level data that supports key performance indicators enables customers to investigate further and make informed decisions on the actions needed to influence performance.

This year, we've made important strides in this area with six releases providing new functionality to customers in line with their prioritised user stories. Prioritisation takes place with user communities as a whole, through vehicles such as regular monthly forums.

Drop 1: Introduced the capability to monitor read submission performance for Product Class 4 sites against Shippers overall portfolio (MOD672)

Drop 2: Improved Read Performance insight aligned with industry performance obligations.

Drop 3: Improved insight to help Distribution Networks to forecast demand.

Drop 4: New dashboards providing insight into twin stream and non-standard sites.

Drop 5: Further topics, such as theft of gas reporting and visibility of 'dead' meters within portfolios have been delivered for Shipper Pack reporting.

Drop 6: Commencement of the data model needed to support DN Reconciliation and invoicing user stories, otherwise known as Golden Bullet. Delivery continued into BP22, with the first major release in July 2022.

### Governance of Data

With a growing demand for data, it's vital that Xoserve's data processing consistently produces quality outputs that our customers trust and rely upon.

This year, we began a two-year programme of work to design and build new data repositories that will enable us to govern the data effectively in our ever-increasing data driven world. The repositories will store business definitions together from multiple industry systems, with linkages to those core systems and how the data that flows through them have been used in downstream reporting and dashboards, data extracts that have been generated for our customers.

The insight and transparency provided by the repositories will payback within two years through the reduction of customer effort as they deliver changes to their internal systems and in a 15% reduction of data queries.

In the first year of our two-year programme, we've delivered:

- Repositories of Data Information / Meta Data
- Following detailed analysis and trial assessments of a

number of differing tooling options, we have selected technologies that we will utilise to hold key industry data information in the long term. Alongside this process we have been busy in consolidating some key data sets so that they were prepared and ready for population.

- Online Data Glossary for File Formats

The industry file formats are now available through a searchable web portal, released initially as a beta version for testing purposes. Several customers are supporting us with this activity. This portal will allow customers, to impact assess changes, understanding the UK Link design interfaces (file formats) in the required level of detail. Following feedback from the trial, our existing beta version will be evolved and the online service available to all Customers in the coming months.

- Provision of data for the Retail Energy Code Company (RECCo)

A key activity Xoserve has undertaken on behalf of the Gas Industry is to support the data work

being undertaken via the Retail Energy Code. We have provided insight support and industry format information, which will now be integrated into the Energy Market Architecture Repository (EMAR). This is an ongoing activity to bring together gas and electricity information under the guidance of RECCo, It is important that we align the 'data about our data' with what they need and manage this relationship effectively moving forward. The repositories we are putting in place make this achievable.

#### Looking ahead

We will continue to further enhance the availability of data in our DDP Core platform, through six regular releases each year, all aligned with our customers' needs and priorities.

Industry data requirements will continue to evolve with the Energy Data Taskforce, having been commissioned by the Department for Business, Energy and Industrial Strategy (BEIS), Ofgem and Innovate UK, to modernise data across the energy industry.

Alongside improvements to the security by delivering self-service password reset functionality and stability of the Gemini System, the changes that have been implemented in BP21 will drive a reduction in change costs, increase the automation capability of manually intensive processes, simplify the Gemini application and assist with realisation of benefits through integrating with other platforms.

By delivering the test automation capability and simplifying our security offerings we expect these changes to contribute to a set of enhancements to the way in which we manage change on the estate, that will result in the following customer benefits as we move through the roadmap delivery:

- Reduction in Cost to Serve (C2S) by 2024-25 of up to 30% by 2024-25 in enabling the cost of future change to be reduced.
- Reduction in Customer Effort (CE) and improvement of Right First Time of 0.5% by automation and increased stability of Gemini, reducing downtime.

To date we have delivered the automation of 10% of functional code components that can be supported by automated testing scripts. This will allow the wider regression and functional testing to utilised these scripts in future functional releases to reduce the cost to test and deliver change.

#### Gemini single sign-on experience

During BP21 we also worked towards delivery of the biggest change in the user experience to meet the pain point of "Aged and inefficient user experience, including issues with Citrix login". Due to congestion within the overall change programme, resulting from ChMC's decision to delay the November 2021 change release to increase system and people capacity to manage the high number of supplier and shipper failures (and resulting portfolio migration activities) a decision was taken to implement these changes in May 2022. This simplified the log in process for Gemini online users by delivering a single sign-on experience.

Previously, Gemini users followed a complex log in process, that involved logging in twice to both Citrix and Gemini applications, using two sets of credentials. We've removed this complexity with the new single sign-on experience, which is available over both internet and IX routes through the Gemini Citrix Gateway.

We have also introduced a multi-factor authentication (MFA) functionality, which will improve the application's security and replaces the XP1 token previously needed. Customers can now reset their password independently through the new self-serve password reset functionality, removing the need for users to raise a support request thus reducing customer effort in contacting Xoserve.

#### Looking ahead

During the second half of BP22, a significant 2-year investment will commence to modernise and enhance all the core elements of the system, such as: infrastructure, application code, change delivery mechanism, testing and operation of the service. The ongoing benefit of this approach is the creation of a long term, sustainable platform which supports agile change and can be operated at a lower cost point - while also improving user experience, system stability, easing of known platform pain points and bringing other benefits of platform modernisation.

Alongside the upgrading and modernisation of the Gemini platform, there remains a significant level of regulatory change as the industry requirements for Capacity and Balancing services are evolved and enhanced. We are working closely with National Grid to understand the potential pipeline plan of regulatory change and ensure provision for cost-efficient application changes, building on the roll-out of test automation suite and our transition to micro-services and agile development, which will continue to drive a reduction in investment on change.

## Gemini Roadmap

**The industry's Capacity and Balancing regimes are evolving. The Gemini Roadmap lays out the improvements we need to make to the Gemini system to facilitate these changes.**

### Optimising Gemini through enhancements

In preparation for BP21, Xoserve assessed the current Gemini estate to understand the tipping point between continuing to sustain the existing estate or undertaking a re-build of the system. We worked closely with National Grid on a set of options that allowed us to deliver enhancements to the current system which began to remove the industry pain points. By building on the movement of the production services onto a private cloud solution and upgrading key components, we developed a set of enhancement ideas.

In BP21, we committed to delivering a set of enhancements to optimise the use of the Gemini system. These enhancements would remove customer pain points, enhance the usability of the platform, while reducing the time and cost associated with delivering change and the operation of Gemini. The customer pain points that are seeking to address in the roadmap through to BP24 are as follows:

- Inefficient user experience, including issues with Citrix login, screen navigation and reporting
- Limited browser and device compatibility
- Restricted performance of the application
- Inflexible and incomplete access to data through API technology
- Low speed of data sharing
- Slow change delivery due to architecture and application complexity

This has enabled us to build a roadmap that focuses on modernisation of the Gemini system. During the year we helped National Grid to compare this roadmap to other options, and at this stage we are confident that our proposal of modernising and upgrading the existing Gemini platform offers a cost efficient and effective way to continue the provision of the Capacity and Balancing services.

## UK Link Roadmap

**The UK Link Roadmap will secure the future performance of the platform – for the benefit of the gas industry and its consumers.**

Xoserve's UK Link system connects the complex information, technology and communications systems that are essential to the successful competitive gas market in Britain. As CDSF, we use and manage UK Link to ensure the industry operates smoothly, effectively and efficiently, and in accordance with the UNC.

The UK Link Roadmap is a multi-year programme which establishes a controlled approach to delivering services, both now and in the future, and is focussed on three areas:

- UK Link service essentials – improving the reliability of service to customers
- Capacity for change – ensuring UK Link can support the needs of our customers and an evolving energy sector
- Core platform migration – migrating UK Link from onsite datacentres to the cloud

### UK Link Service Essentials

UK Link service essentials investment supports our five-year plan to reduce Maintain the Business (MTB) costs, as shown in BP21 and BP22, through:

- delivering improvements to the automation of our core service management processes
- enhancing our application monitoring

In 2021-22, we delivered continued change that has provided enduring benefits and an ongoing foundation for further improvements into next year and beyond.

We've overhauled our service management processes and communications – building further on the Service Now implementation in late 2020. We've also made changes to our tooling and have provided our people with streamlined processes focussed on customer experience.

In September 2021 the Service Management Transformation project was completed. This project overhauled Xoserve's service management tools and ways of working. It was designed to deliver benefits to Customers in quality and reliability of UK Link and Gemini services. Some key benefits delivered are outlined below:

- **80% reduction in major incidents impacting UK Link or Gemini**

2021-22 saw an 80% reduction in major incidents that impact the reliability of UK Link or Gemini vs when Service Essentials began in 2019, with 13 issues reported in calendar year 2021, vs 65 in 2019. UK Link is now at the highest level of reliability that we've seen for several years. Customers benefit from a significant reduction in disruption in CDSP services.

- **30% reduction in average resolution time**

When issues are experienced, they're now resolved faster and with a much-improved Customer experience. Incidents or service requests raised by Customers are now resolved 30% faster than before.

- **25% increase in quality of incident customer engagement**

We've introduced a new 'Quality' measure to assess the quality of our communications and engagement on incidents and service requests with our customers. This measure is based on pass or fail internal audit activity undertaken on a sample of customer engagements across a variety of channels. Any failures identified trigger bespoke training modules. We have seen a direct correlation between the quality of engagements and the completion of audit and training activities, and since this was introduced, our scores have risen from 70% to a sustained level of 95%+.

In addition to the above major improvements, service essentials investment has also enabled:

- Right First Time (RFT) incident resolution service level agreement (SLA), a new metric, tracked from 2021 onwards has consistently achieved 99.7%+, which is significantly higher than the 99% target.
- 75% reduction in open incident average, which has resulted in higher quality and faster fault resolution. This is now sustained at circa 150 open incidents (reduced from a previous high of over 600 in 2020).
- 86% increase in use of the self-service ticket logging portal due to delivered customer experience improvements.
- Implementation of CMS self-service password reset functionality, which has reduced customer effort and response in having to contact Xoserve each time, reducing disruption to customers.

This year, our Technical Debt Reduction project has investigated these four areas as they generated the highest volume of overall defects in UK Link. We have used this root cause analysis to specify a series of changes that will resolve these defects through 22 changes to be delivered during 2022-23.

From this, we identified improvement opportunities that will help us de-risk disruption to customers within Review of Gas Metering Arrangements (RGMA), Supply Point Administration (SPA), metering and invoicing processes. Eliminating defects means that business process operate as intended and this avoids negative data accuracy impacts and ensures a right-first-time result.

In addition to this review, we have:

- reduced the risk of change, a contributor to the instability of our services in previous years fully by
  - o automating code transport and release processes
  - o automating coding standard testing which prevents any potential code errors reaching production systems
- conducted a single point of failure review implementing solutions in critical areas of risk that we identified as part of that review
- resolved over 50 high risk defects – all of which could have posed risks to critical industry processes

The benefit of this activity to customers was a reduced overspend and the avoidance of delays on projects. This re-allocation of effort leads to a higher quality result, as we can manage change better by deploying resources and utilising technology proactively, rather than using resources reactively to fix problems.

### Core Platform Migration and Capacity for Change

This year, Xoserve's core platform migration and the capacity for change investments were associated with the movement of our UK Link estate to the Azure Cloud, which were delivered by the Move 2 Cloud Programme.

Within the existing "on-premise" estate, there were limitations in our ability to deliver at increased scale without the need for significant investment in hardware that would also be costly to maintain going forward. Moving the UK Link services to the cloud delivered an ability to flex the landscape up and down depending upon demand. This has created capability to manage the estate more effectively utilising the toolsets within the Azure estate. As part of the work to deliver greater capacity for change, we established a development, test and production estate for the new "cloud" environment and used it to develop and test all core components of the UK Link estate to prepare for the transition from on-premise to the Azure Cloud solution.

The core platform migration investment focussed on re-platforming our UK Link System from previous on-premise data centres to the Azure cloud, which involved:

- migrating our operating systems from Linux to Windows and UK Link System databases from Oracle to SQL servers
- upgrading out of support technologies, such as the UK Link Portal
- decommissioning on-premise data centres for our UK Link System

As a result of this migration, we're delivering the following benefits for customers:

- UK Link infrastructure and application remains aligned to industry best practice by adherence to defined design principles and the adoption of the Microsoft Azure Well-Architected Framework.
- Technology upgrades to deliver a more sustainable platform, reducing the risk of future product or infrastructure failure.
- All UK Link systems have now had the latest patches applied to aid resolution and reduce risk of failure.
- The support team are able to deploy additional tooling and monitoring capability, which allows for early identification and rectification of potential issues.
- Improved ability to accommodate change development and implementations, allowing scalability of the estate to meet demand.
- Completion of test automation for key UK Link processes, to allow for reduction in manual effort required for testing and managing future change. This will be reflected in driving efficiencies into our change delivery and testing efforts associated with these changes.
- Successfully completed a data volume reduction, allowing us to improve performance of system processes and optimise storage costs.
- Giving us greater capability to deal with increased volumes of change and parallel development of changes and/or test phases by delivering scalability for environment provision. This removes the constraint of deploying expensive infrastructure to support short term needs.

### Looking ahead

We will continue to deliver improvements in the automation of core service management processes, along with improvements to application monitoring. The benefit of this investment is to ensure we deliver seamless connectivity to customers and remain able to handle increasing volumes of files/data and the industry's demands for a performant integration layer.

Following UK Link's move to the cloud, there is a need to tackle a broader set of requirements than just re-platforming. This will focus on the "Run" of the system to ensure we have a cost-efficient operation of the platform and how we "Manage Change" more efficiently on the system going forward. The UK Link roadmap will also focus on the longer roadmap toward 2027, when a significant upgrade of the SAP operating system will be necessary.

## Protecting against Cyber crime

*We're continuing with our multi-year programme to become more resilient to cyber-crime, as we continue to protect our Customers.*

2021/22 was the second year of Xoserve's four-year Information Security and Privacy Strategy including the Information Cyber Security Strategy and Data Privacy Law Compliance programme.

The improvement programmes continued to deliver increased information security and privacy maturity levels. External assessment by cyber security experts, NCC Group, confirmed that we had either met or exceeded the planned national Institute of Standards and Technology (NIST) maturity levels for both Customer and internal systems.

During the past year we have focused on numerous activities to increase our services, including:

- Deployed Security tooling to reduce both the likelihood and impact of a cyber-attack.
- Reduced the likelihood of some threat attack vectors by deployment of email and web site filtering.
- Enhanced our Unified Security Operations Centre (USOC) which allows us to monitor service provision from multiple subcontractors via a single view.
- Increased our level of training and awareness to cover multi-vector attacks and keeping the knowledge level of our staff current on modern cyber-attack methods.
- Improved security tooling to enable Opening-Up Our Data.
- Introduced Data Loss Prevention controls to reduce the potential for data leakage.
- Improved the speed of response to subject data access requests.
- Increased our internal automation of processes to ensure we deliver our obligations of a data breach in a timely manner compliant with Data Privacy law.
- Continued to maintain ISO27001 certification and compliance with UK GDPR in a rapidly changing environment.

Our priority is the NIST maturity target and on key information security and privacy risks. Close co-operation between Xoserve and Correlia will help ensure that Cyber Security and Data Privacy remains a key focus of service delivery.

### Looking ahead

We will continue to evolve our Cyber resilience with a close eye on new threats and vulnerabilities across people, processes, and technology, while continuing to introduce controls across all three areas to in order to:

- Increase protection and defensive operations against Cyber-attacks.
- Ensure staff are trained to recognise social engineering attacks (especially those that are early signs of a multi-vector attacks) and how to protect customer data and systems.
- Implement tools to share enhanced threat intelligence with customers and the industry.
- Improve the on-time delivery of individual rights requests (supporting the 72 hour turn around required under the Data Protection Act 2018) for our customers.
- Continue to achieve certification in ISO27001:2013 and increase our cyber resilience further.
- Plan for certification to ISO27001:2022.

By developing a mature and effective information security and privacy capability, we can identify potential Cyber threats at the earliest opportunity, implement effective controls against ensuing attacks and, in the event of an attack, ensure that response controls and security incident management are immediately effective.

These areas will continue to benefit us year on year as we continue focus on the Information Security & Privacy improvement programme, to ensure it remains effective, current, and future proof.

## General Annual Retail Energy Code Change

*We're delivering changes to support the introduction of version 3.0 of the Retail Energy Code (REC). This will include faster and more reliable switching for consumers through the Central Switching Service (CSS).*

The introduction of the Retail Energy Code (REC) brings together the code requirements relating to retail energy activities. It provides a consistent set of arrangements for suppliers of electricity and gas and consumers and governs the operation of faster and more reliable arrangements for consumers to switch their energy supply.

Xoserve's Central Switching Service Consequential (CSSC) Programme was set up in 2018 as a result of the launch of Ofgem's Switching Programme. Its purpose was to deliver all direct and consequential impacts on CDSP systems and services.

Completion of the programme will ensure that our customers can continue to use CDSP services uninterrupted. In the new world it will introduce faster switching services that interface with existing systems and processes, to allow continued delivery of shipper registration, settlement, and transportation invoicing. It will also allow our customers to ensure the obligations introduced under the REC can be met by the market through the effective use of central systems by the required dates.

The CSS programme was scheduled to complete in the summer of 2021 however, as a result of Covid-19, the go-live date moved to 18th July 2022. This delay in implementation, along with an increase in programme scope via several change requests, led to resource, supplier and environment extensions estimated to be £6m. However, by undertaking an exercise to minimise cost impacts as much as possible we were able to reduce the additional cost impact from £6m to £1.2m.

During 2021/22 Xoserve continued to successfully deliver against all external and internal milestones. Key activities completed during the year include:

- Testing, both internal and industry including:
- Internal System Integration testing (SIT)
- Internal User Acceptance testing (UAT)
- Internal non-functional testing (Performance, Operational Acceptance, Operational)
- Industry System Integration testing (SIT)

- Industry User Entry Process (UEPT)
- Industry End to End testing (E2E)
- Regression testing
- Transition testing

These helped establish final readiness ahead of the go live date.

- Live Transition Stages 1 and 2

In March 2022, we began the live Transition Stage 1 (TS1). We successfully extracted and transmitted the required data to the Central Switching Service Provider (CSSP) ahead of the industry milestone date. We then validated and loaded the data into the CSSP data store, along with the code to capture DELTA data required for loading into live Transition Stage 2 (TS2). TS2 planning activities were also completed.

### Looking ahead

2022/23 sees the final year of the CSSC Programme, with completion of the Transition and Post Implementation Support phases, both of which are 3 months long.

As planned during the 8 days following CSS Go-live on 18th July 2022, market participants issued switches held over prior to Go-live. Switches were processed by a brand-new system, utilising brand-new processes. As expected, this was a busy period, with the potential for a large number of tickets to be raised and support required both by our customers as well as Switching Programme stakeholders (e.g., Switching Operator and CSS). Post Implementation and Early Life support is currently in place to support this increase in activity. We plan to close the CSSC programme and hand over to our Operational teams in October 2022, three months after implementation.

CSS will continue to evolve past its launch and will likely generate a steady stream of change requirements. We're already aware of several post-implementation changes, which the CSS programme has deferred for implementation after launch. We will continue to deliver these changes through REC Change funding as part of future Business Plans.

## General Annual Uniform Network Code (UNC) Change

### Improving our systems and services through industry change

In BP21, this investment included £3.6m for delivery change scoped by the DSC Change Management Committee (ChMC) including £0.1m for Non-Standard Data Items for Reporting) and £1.5m to fund the Decarbonisation project.

#### DSC Change Budget

Xoserve facilitated the development of multiple UNC/DSC changes via engagement with critical UNC forums, the provision of the delivery sub-group and monthly industry consultation exercises. This activity provided balanced insight in order for elected ChMC representatives to make decisions on behalf of the industry.

Two major releases were delivered, alongside multiple 'standalone' changes, with each change passing through development, design, and implementation.

#### Major releases

- **June 21** - a critical UNC modification UNC0711, updating the Allocation of Unidentified Gas table to reflect new End User Category bands
- **November 21** - multiple changes impacting Shippers and Distribution Networks
- The outcomes included UK Link compliance with industry code modifications (UNC, SEC), greater efficiency of the reconciliation, meter read / frequency processes, and essential changes in preparation for CSSC implementation
- Due to escalating issues within the gas industry (Supplier of Last Resort incidents and failures), Xoserve recommended to ChMC that the planned implementation of the release should be phased across November 2021 and January 2022. The rationale for this approach was due to some of the changes in scope having impacts on critical SoLR processes in UK Link

#### Standalone Change and Minor Release

This year, the gas industry has faced unprecedented market conditions. Throughout this period, we've actively supported the analysis, development, and delivery of high-profile and sometimes urgent regulatory modifications. 26 standalone changes were delivered throughout the period (3 via Minor Release 10).

#### Non-standard data items for reporting

We've implemented 13 changes, delivering over 115 new non-standard data items which are now available for future reporting requirements, as well as opening up and delivering greater insight into our data.

A large proportion of these changes were important for supporting the ongoing monitoring and management of the 2021 gas crisis – and the resulting SoLR activities.

## Decarbonisation

### We're helping to facilitate the decarbonisation of gas – an increasing priority across the industry.

Decarbonisation is an increasing priority across the energy sector, as highlighted by the Government's 10-point plan which was published in 2020. This included driving the growth of low-carbon hydrogen, the UK Hydrogen Strategy published in 2021 and the recently updated UK Net Zero Strategy. Understanding what needs to change in the UK Link, Gemini and other centralised systems as well as the industry processes needed to support the decarbonisation of the Gas Industry is a key role that Xoserve can undertake, as we have the expertise and knowledge to do so.

The investment provided for decarbonisation activities is split into 2 sections, funding for a dedicated team of experts to support Decarbonisation activities and a similar drawdown manner to the DSC Change budget. Xoserve work closely with the Networks, who currently fund this initiative, to agree on how this is spent and if any unspent funding will be returned to them or held until the following year.

During 2021-22, we've continued our efforts in this increasingly important area with the following:

- Engagement with all Industry parties through Customer Journey workshops & monthly Hydrogen Implementation forums

From these sessions we have delivered:

- o Life of a Gas Molecule current state map
- o Heatmaps demonstrating the impact of hydrogen across centralised systems
- o Defined customer journeys and created hydrogen implementation groups for all industry segments
- o Created feedback loops for all Industry parties to air concerns and ideas that can be shared with Hydrogen development project teams and BEIS/Ofgem stakeholders for funding development
- o Supporting Hydrogen projects & pilots

We have provided both system and process design support, facilitation, marketing design, training material development and reporting' design and delivery for a number of projects which include (but aren't limited to):

- Future Billing methodology consultation
- HyDeploy phase 2 (where 668 domestic properties are consuming 20% blend of hydrogen)
- Biomethane settlement design
- H100 design
- Hydrogen Village submissions
- Decarbonisation Lead role restored to Xoserve

Following customer feedback, we restructured our approach to Decarbonisation in November 2021, moving leadership of this vital work back to Xoserve from our main service provider, Correla. This has made it easier for our customers to engage with

our decarbonisation programme of work and for the development of industry customer journeys and personas, ensuring industry and regulators know and understand the challenges and opportunities that decarbonisation will bring.

- Representing the gas industry

Our Decarbonisation lead and team have continued to provide representation for the gas industry by attending conferences on behalf of Distribution Networks, leading on communications across the industry and leading, facilitating and becoming an industry SME on consultations. The benefits this brings to our customers are:

- o Reducing Customer Effort
- o Saving time and money
- o Being the neutral voice in the room
- o Consistency of messaging and communications

This in turn helps to ensure consumers don't pay more than they need to for decarbonisation activities and that all Industry party requirements are heard and considered.

#### Looking ahead

In 2022/23, we anticipate that the number of decarbonisation pilots will increase. This will include the addition of projects such as:

- Hydrogen village - design
- Hydrogen town - design
- H100 delivery
- Hydrogen Blending

We're proposing to develop our existing resources, by reviewing decarbonisation requirements, and establishing a decarbonisation programme team that focuses on industry engagement, further developing the a framework to support pilot projects and supporting the transition from methane to Hydrogen whilst ensuring accurate settlement and invoicing during the transition.

# Financial summary

At Contract Management Committee (CoMC) in May 2022, we shared our un-audited financial position for year ending 31 March 2022.

For the year ended 31 March 2022, Xoserve had a small amount of unspent budget, resulting in a profit before tax of £0.2m (£0.2m after tax) which, as discussed at CoMC, will be retained in order to build up capital reserves so that Xoserve is able to absorb unforeseen "in year" costs, including any impacts from the energy price crisis.

The figures below are our final audited position. Our full audited accounts are available at Companies House.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (AUDITED)		
	2021- 2022	2020-2021
	£'000	£'000
Turnover <sup>1</sup>	85,468	74,961
Other income <sup>2</sup>	1,746	12,952
Administrative expenses <sup>3</sup>	(87,048)	(87,413)
<b>Total profit for the year<sup>4</sup></b>	<b>166</b>	<b>500</b>
CONDENSED STATEMENT OF FINANCIAL POSITION (AUDITED)		
	31 March 2022	31 March 2021
Fixed Assets	46,960	43,280
Current Assets	29,368	47,629
Current Liabilities	(29,981)	(58,905)
Non - current liabilities	(42,107)	(27,930)
Provision for liabilities	(1,606)	(1,606)
<b>Net assets</b>	<b>2,634</b>	<b>2,468</b>
CONDENSED STATEMENT OF CASH FLOWS (AUDITED)		
	31 March 2022	31 March 2021
	£'000	£'000
Cash and cash equivalents at start of year	10,392	27,289
Net cash generated from operating activities	5,262	3,792
Net cash from investing activities	(1,516)	(20,593)
Net cash from financing activities	(49)	(96)
<b>Cash and cash equivalents at end of year<sup>5</sup></b>	<b>14,089</b>	<b>10,392</b>

## Notes

1 Turnover reflects total charges of £93.6m less associated capital expenditure and work funded but still in progress, for example work delayed due to Ofgem's decision to defer the industry-wide CSS programme until July 2022 and Change Management Committee's decision to delay Xoserve's November 2021 release until January 2022 to accommodate activity relating to the appoint of "Suppliers of Last Resort" in Autumn 2021. The number now reflects statutory accounting adjustments related to capital expenditure

2 Figure for 31 March 2021 includes proceeds from the sale of Correla.

3 Administrative Expenses included of £3.7m of employee and agency staff costs. The reduction in staff costs from 2021 is a result of the business restructure undertaken last year, which resulted in circa 90% of the workforce transferring to Correla. Xoserve's direct employees are supported by a few third-party specialist contractors to cover short term, investment funded roles. For 2021/22, the average number of employees and agency staff in aggregate was 52.

4 No taxation was required to be paid in either year.

5 The figure for cash as at 31 March 2022 includes £3.1m relating to descope investments which is being returned to customers as a reduction in 2022-23 charges (as notified in the charging statements in January 2022) and £1.0m of unspent decarbonisation budget which it has been agreed will be retained for use in 2022-23.

## Invoice payment (outbound) performance

Xoserve agrees terms of payment with suppliers for each of our contracts and we pay invoices based on the date of submission in accordance with the relevant contract.

As part of our own commitment to ethical business, we normally settle on 42 days however we do sometimes agree shorter payment periods than our standard terms, especially with regard to smaller companies who may be experiencing tight cash flow positions.

For the financial year the percentage of invoices paid within the due period was 79.5%

# Contract Management and Assurance

When we restructured in March 2021, we announced that Xoserve would become a contract management and assurance company. But what does that mean?

Xoserve's activities in Contract Management and Assurance are pivotal to ensuring we deliver the customer service and customer satisfaction.

As stated earlier in this Annual Review, our service commitments to our 80+ customers are set out in the Data Services Contract (DSC) which, among other things, describes the services we provide and the standards to which those services should be delivered. Xoserve is held to account for its performance under DSC through the DSC Contract Management Committee (CoMC), which comprises representatives from all customer constituencies and whose role it is to represent all customers in the management of Xoserve's performance as Central Data Services Provider (CDSP).

Xoserve discharges the majority of its obligations as CDSP through an ecosystem of third parties, allowing us to use best in class providers to deliver our specialist services. These include key industry-critical services, such as the PAFA and AUGÉ as well as specialist business and technical services provided to Xoserve to enable it to discharge its obligations as CDSP.

## Contract Management and Procurement

### Industry Procurements

Xoserve leads the sourcing and management of key industry-critical services on behalf of the gas industry. In 2021-22, these comprised the PAFA, provided by GemServ and the AUGÉ, provided by Engage Consulting.

At the start of the year, we retendered the PAFA contract, as it was due to expire. The procurement exercise resulted in the reappointment of GemServ in July 2021, on updated and improved terms. As the contract manager for this service, we continued to manage the service on behalf of the Performance Assurance Committee throughout the year and initiated a customer survey to obtain feedback on the service provided by the PAFA, to inform the decision on whether to exercise the first-year break point in the contract.

We have also worked with the AUG subcommittee to understand and address its concerns around improved transparency of the unidentified gas calculations. Having undertaken an audit of the service provided by Engage Consulting, we were able to help the subcommittee to gain a clearer understanding of the applied methodology, while introducing additional controls around the ongoing service provision.

In readiness for Xoserve to take on new scope, in the form of both the Daily Metered Service Provision (pursuant to Mod 710) and the Non-Daily Metered Service Provision (on request from 3 of the 4 DNs), from 1 April 2023, we commenced procurements to secure specialist service providers to support these activities. Engaging with industry to capture business requirements and to agree

service design. The co-occurrence of timing provides an opportunity to identify synergies with the aim of streamlining and improve service effectiveness where possible, underpinned by meaningful performance measures. This work will continue throughout 2022-23

### Contract Management – Customers

Xoserve's restructure did not impact how Xoserve contracts with its customers (the Data Services Contract or DSC) or the governance of that contract. It has, however, enabled us to focus on trying to improve the quality and value of those interactions.

The delivery of mutualised services to 80+ customers under a single, standard contract creates a tricky situation for everyone. Although there are clear benefits in having Xoserve as the single point of service provision, rather than having to build technical and process interfaces with the other 80 or so market participants, each customer has their own commercial drivers, business imperatives and systems requirements. Through our increased focus on contract management, we have sought to improve how we satisfy these seemingly incompatible requirements as we attempt to please as many customers as much of the time as possible.

In 2021-22, Xoserve continued to attend Contract Management Committee (CoMC) and Change Management Committee (ChMC) as CDSP, to report on service delivery, update customers on key events/changes, explore the impact of industry developments and develop our strategic plan for the future of the services.

Where topics to be discussed would benefit from subject matter experts, we ensured they attended to contribute their valuable expertise and experience, even if not directly employed by Xoserve, to ensure that appropriate consideration could be given to nuanced and complex industry matters.

### Contract Management – Supply chain

In 2021-22, we formalised our approach to supplier engagement, including the creation of an updated Supplier Code of Conduct which, among other things, sets out minimum standard for information security and ethical business. On the back of this, we undertook a review of supplier relationships and contracts to ensure service provision was on time, aligned with the obligations in the contract and still reflects the requirements of Xoserve and/or its customers.

We implemented a performance and governance framework with our main service provider, Correla to ensure the arrangements between the two organisations are effectively controlled and managed. Formerly part of Xoserve, Correla started to deliver services to us as a separate organisation on 1st April 2021. The services it provides are contracted under a commercial flow-down contract called DSC+, which flows down the service obligations, formalises service reporting requirements and

## Assurance

A key benefit of the operational restructure in March 2021, was to create separation between Xoserve and the organisations delivering services on its behalf. Xoserve retains overall accountability for the services being delivered but the independence we can now bring to performance assurance, requirements fulfilment audit, risk management and quality, enables us to act on customers behalf without the inherent conflict of also being the organisation doing the delivery. We use our in-depth knowledge and experience of the regulations under which services are provided, the market within which services are delivered and how the current solution works to ensure that customers receive a reliable service, which meets code requirements and the commitments in the Data Services Contract (DSC).

This activity starts with the development of new solutions to address the needs of customers and other stakeholders. These can arise in a number of ways: through Change Management Committee, via industry-wide initiatives such as the Retail Energy Code (REC), through stakeholder engagement or through suggestions and innovations identified by Xoserve and its delivery partners. Xoserve's

contains commercial levers to incentivise performance. Xoserve's independence from service delivery, has allowed us to implement a more formal and structured review of performance, with a focus on delivery of KPM and PIs, root cause analyses of failures and performance improvement plans to address/ prevent future occurrences.

The closer management of service delivery has also embraced investment projects, where we have improved the rigour, transparency and clarity through the introduction of a formal programme portfolio approach and milestone-based progress reporting.

2021-22 was our first opportunity to explore the potential for technical and/or commercial innovation through Correla, one of the key drivers for the restructure. As part of its ongoing commitment to the market, Correla agreed to fund the investment in key parts of the ongoing Exceptional Customer Experience programme in 2022-23, specifically Customer Relationship Management, Customer Journey Continuous Improvement, Process Automation and Customer Service Centre. This resulted in a cost saving to customers (and therefore end consumers) of £250,000. We also secured Correla funding for the development and ongoing refresh of the CMS, with customers benefitting from Correla's willingness to take the commercial risk on monetising the IP within the new technology it develops.

role is to understand industry requirements, assure that the solution being proposed delivers to those requirements, procure third party services, provide oversight to the implementation (to ensure the delivery remains on track and troubleshoot the introduction of the new service) and should anything go wrong, managing the fall out and brokering solutions across the market (including with other central bodies).

Our extensive experience in delivering change within this highly regulated market with its bespoke technical, privacy and security requirements, also enables us to assess whether the costs being proposed for both development and ongoing delivery of new services represent value for money. Once we are satisfied with value, we are able to fix the price through a formal contract arrangement, moving the cost risk away from customers and onto our service providers, thus insulating customers from any overrun or under-estimation.

Once the service has been introduced into business as usual, Xoserve assures performance through a combination of understanding what needs to be delivered, examining

the service statistics to verify that this is the case, recognising early warning signs of issues to come and working with our service providers to both prevent service failures and address any incidents/ problems which do arise. Much of this activity happens “behind the scenes”, not visible to customers.

Regardless of the level of assurance, incidents do occur. This is inevitable in a technical landscape as complex as UK Link and the upstream / downstream processes it supports. Xoserve’s independence from delivery enables it to act on behalf of customers without conflict of interest, asking searching questions, born out of our deep knowledge of the services and their impact in industry parties, about the cause, remediation, recovery and future preventative actions relating to a specific incident.

Our involvement in incidents is best exemplified with the UK Link incident in March/ April 2021 when a software vendor product failure within UKLink created an ongoing problem with file flows. In addition to our work behind the scenes to establish the cause of, and a fix for the incident, Xoserve led the planning of communications to customers (who, what, when) to creating a clear explanation of the incident and helping our main service provider, Correla, to field questions from stakeholders. We then probed various aspects of the root cause analysis to ensure that clear, focused, informative and complete explanations were given to customers at the outset, rather than customers having to spend time to do this for themselves. The contractual levers that we were able to introduce into delivery arrangements as a result of the restructure, include a requirement to create an action plan to address the findings of the root cause analysis. These were therefore translated into an action plan to prevent recurrence which we oversaw to completion.

### ISO certifications – Quality and Information Security

ISO certifications are designed to instil confidence in customers and other stakeholders by evidencing that an organisation conducts itself efficiently and to a high standard (as set by the International Organisation for Standardization), proving the organisation’s commitment to important business objectives such as quality and security. In 2021-22, we continued to maintain certification to both the ISO9001:2015 Quality standard and the ISO27001 Information Security standard. In order to do so, we were subject to both internal and external audits, to verify compliance with the requirements of the standard and received positive feedback having demonstrated our commitment to maintaining the required standards throughout the transition to our new operating model.

## Risk Management

Understanding and mitigating risk is a key component of our Assurance activities. In 2021-22, our Risk & Audit Manager restructured and refreshed the corporate risk register to reflect our new operating model, proactively working with all parts of the business to ensure risk management was embedded in our management system.

Risks were reported to the Senior Leadership Team on a monthly basis and formed a key part of our operational reviews, with a summary is presented to (and discussed with) Xoserve’s Audit & Risk Committee on a quarterly basis.

As at the end of 2021-22, the principal risks and uncertainties we were managing were:

Risk	Description
Information Security & Data Privacy	Xoserve manages data on behalf of the gas network operators and, through our ecosystem of third parties, operates a number of Information Systems in support of this. We (and our main service provider) maintain ISO27001 certification, and the ongoing security and privacy threat landscape continues to be monitored and assessed with the aim that all prominent security vulnerabilities are managed.  Working with our primary outsourcing partner to deliver the Security and Data Privacy Improvement Programme, Xoserve continues to evolve safety of the gas industry’s critical systems and the data within them.
Gas Market	During 2021-22, the gas market experienced increasing challenges, with some market participants struggling to source and pay for gas to meet their supply portfolio. This resulted in multiple parties (both Shippers and Suppliers) exiting the market.  Xoserve used its knowledge and expertise to generate options to manage a number of potential failure scenarios, including the “worst case” scenario, which subsequently materialised with the failure of a Shipper with multiple Suppliers. Our team supported Ofgem, suppliers and shippers in managing the crisis and ensured that gas kept flowing to consumers.  The main risk for Xoserve comes from bad debt increases across the industry, and operational challenges with SoLR activity creating significant additional workload in the areas of energy Balancing, credit risk, customer lifecycle (i.e. market joiners and leavers) and a significant number of portfolio migrations undertaken at pace. Due to a combination of prudent planning and the fixed price arrangements that Xoserve has with its suppliers, these risks were able to be managed sharing of without additional cost to customers.  We also supported the gas market in managing its exposure to the increased commodity cost and economic sanctioning that arise from the conflict in Ukraine. We continue to monitor the situation.
Business plan	In 2021-22, our focus was the creation of the Business Plan for 2022-23 (BP22), the first to be produced since our restructure in March 2021. BP22 was our most comprehensive consultation process to date as customers, who were and still are facing financial strain as a result of the soaring price of gas on the wholesale market, sought to understand more about the implications of our restructure on BP23.  Despite our best efforts, this year culminated in a formal appeal to our budget from a large Shipper. We are engaging with both Ofgem and the Shipper in question, to work through the appeal.
Managing demand and ongoing change	In a challenging business environment, we continued to prioritise change delivery to meet the key needs of customers in 2021-22. We reviewed existing and new activities to ensure suitable capacity, capabilities and control frameworks were in place to mitigate any additional risks that may be created, and to exploit potential opportunities that may arise.
COVID-19	In 2021-22, we continued to successfully mitigate the risk of disruption to business operations and workforce from the Covid-19 pandemic. Operations were maintained and remote working arrangements will remain a feature of Xoserve’s business model moving forward.  Staff safety and wellbeing remained a key focus throughout the year, and we continued to work closely with suppliers to ensure that their teams’ exposure to Covid-19 did not significantly impact their wellbeing or CDSP services.



# People Matters

In April 2021, as the country started to emerge from the pandemic and adjust to the 'new normal', our people faced a second significant change in ways of working as we settled into our new operating model and turned our focus to the management of arrangements with third parties.

To support our people through this period of momentous change, we placed significant priority on supporting their mental health and wellbeing, augmenting existing skills and experience and setting the team up for success.

## Flexible working

Having successfully transitioned to homeworking during the Covid-19 pandemic, we found our day-to-day efficiency improved despite such a dramatic change in daily working patterns. In surveying our people during this period, we learnt that the vast majority liked working from home and were effective doing so.

We therefore reconfigured our office space to encourage flexible and collaborative working, with desk space for those wishing to spend the day in the office, video conference facilities for those working remotely and touchdown facilities for those planning a hybrid approach. In common with many other successful organisations, our people were trusted to manage their working lives in a way that balances their needs with the needs of the organisation and our customers, without the need for mandated "office days".

Since formally reopening our offices in Autumn 2021, we have welcomed customers back for key touchpoints and workshops. For industry meetings, and for those customers preferring to work remotely, we continue to engage via virtual touchpoints and see this mix as an ongoing feature of our future working environment.

## Employee Engagement

To help the adjustment to new ways of working post-restructure and post-pandemic, we engaged with our people in a variety of ways so that key decisions could benefit from the valuable insights and opinions that our people have to contribute and the whole team could understand business direction and, thus, approach their work 'as one'. These included regular briefings directly from the CEO and key subject matter experts, departmental team meetings and ad hoc news and social communications through our internal social platform.

Xoserve has always measured employee engagement and we took the opportunity, post restructure, to redesign our approach to measure a wide range of factors affecting employee engagement. The output was used to assess sentiment and develop action plans to address emerging themes within the feedback. With an 86% participation rate and engagement scores of 8.61 (August 2021) and 8.87 (February 2022), the main finding was that our people wanted to align around a key purpose. As a result, we formally documented our core purpose: Delivering critical services to Britain's gas market, facilitating the journey to Net Zero.

Finally, we trained two Mental Health First Aiders to help support wellbeing, providing a safe place to talk things through. Colleagues across the business were (and continue to be) encouraged to share their own experiences of mental wellbeing and inclusion and diversity, with the objective that every member of staff has a voice.

## Developing our capabilities

Recognising that our post-restructure evolution required different skills, we commenced developing a learning management system to support all levels of the organisation, offering training in the areas of technical skills, business skills, communications, leadership, teaming and, for key members of the leadership team, professional coaching.

During the year, we implemented a new performance framework, as a basis for setting individual objectives, aligned to Xoserve's Purpose and company strategy and monitoring employee performance. We also continued to support employees in undertaking specialist qualifications in support of their roles, including Commercial & Contract Management, Credit Management and HR.

## Inclusion and Diversity

Diversity and inclusion continued to be actively supported in the business. All applications for employment, regardless of any protected characteristics were considered solely on qualifications, experience and capabilities, with unconscious bias removed from the shortlisting process via anonymisation.

In refreshing our D&I policy, we reaffirmed that the training and career development of a disabled person should, as far as possible, remain identical to that for a person who does not suffer from a disability and that, if a member of staff should become disabled, every effort should be made to ensure that their employment with Xoserve can continue, and that appropriate adjustments and training are arranged.

We continued our commitment to keeping people safe at work, both in the office and when working from home, with online training in the importance of workplace safety, formal office induction and mandatory display screen equipment assessments, augmented by hazard reporting processes and evacuation drills. Xoserve will continue to offer employees a hybrid working environment.

## Corporate social responsibility

Through the year, Xoserve contributed a total of £2,919 to our nominated charity partners, selected by employee vote:



Fuel Bank: £2,600



Cancer Research: £250



Save the Children (Christmas Jumper Day): £69

We launched a Matched Giving scheme to support individual charitable efforts and continued our volunteering scheme, whereby all staff are entitled to a volunteering allowance of two days per year.

## Sustainability

As well as supporting the national decarbonisation agenda, we continued to take our own responsibility to safeguard the environment very seriously. We offset unavoidable carbon emissions of 5.33 tCO<sub>2</sub>e and, moving forward, will continue to reduce and offset our emissions

## Abbreviations and Terms

API	Application Programming Interface	GRDA	Gas Retail Data Agent
AUGE	Allocation of Unidentified Gas Expert	ICS	Institute of Customer Service
BEIS	Department for Business, Energy and Industrial Strategy	IGT	Independent Gas Transporters
BP	Business Plan	IX	Information Exchange
BSI	British Standards Institution	LSO	Local Security Officer -
CDSP	Central Data Service Provider	LDZ	Local Distribution Zone
CE	Customer Effort – a measure of ‘how easy is it for Customers to deal with Xoserve as measured through the Institute of Customer Service survey?’	MAM	Meter Asset Manager
ChMC	DSC Change Management Committee	MRA	Master Registration Agreement
CoMC	DSC Contract Management Committee	MTB	Maintain the Business to be renamed Operate Costs from BP23
CMS	Contact Management Service	NDM	Non-Daily Metered
CPIH	Consumer Prices Index including owner occupiers’ housing costs	NPS	Net Promoter Score
CR	Change Request	OTD	On-Time Delivery – a measure of ‘Do we provide the outcome to the Customer in-line with agreed SLAs/timescales?’
CRM	Customer Relationship Management	PAC	Performance Assurance Committee
CSS	Central Switching Service	PAFA	Performance Assurance Framework Administrator
CSSC	Central Switching Service Consequential	PIS	Post-Implementation Support
C2S	Cost to Serve – a measure of ‘How much does it cost to deliver CDSP services before and after any project implementation?’	REC	Retail Energy Code
CT	Cycle Time - a measure of ‘Did we do/send out something within the agreed Service Level Agreement (SLA)’	RECCo	Retail Energy Code Company
CV	Calorific Value	RFT	Right First Time – a measure of ‘Do we provide the expected outcome to the Customer at the first time of asking’
CX	Customer Experience	SOLR	Supplier of last resort
DDP	Data Discovery Platform	SPAA	Supply Point Administration Agreement
DES	Data Enquiry Service	TOTEX	Total Expenditure
DESC	Demand Estimation Sub-Committee	UKCSI	UK Customer Service Index
DSC	Data Services Contract	UNC	Uniform Network Code
FWACV	Flow Weighted Average Calorific Value		
GDN/GT	Gas Distribution Network / Gas Transporter		
GDPR	General Data Protection Regulation		
GES	Gas Enquiry Service		

# Xserve

Xserve Annual Review 2021/22