



Joint Handover Steering Group

Terms of Reference

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1. The Role of the Joint Handover Steering Group

The overall purpose of the Joint Handover Steering Group (JHSG) is to act as an independent advisory group, to enable successful transition of the licence from DCC1 to DCC2, according to the agreed Business Handover Plan (BHP) and with no adverse impact on DCC's customers.

The JHSG will have strategic oversight of the BHP. It will:

- Provide for joint constituency representation across key stakeholders.
- Monitor progress against the BHP and recommend any changes to DCC and Ofgem via the appropriate governance forums.
- Receive regular progress reports from the Delivery and Coordination Authorities.
- Be the point of escalation for priority risks, issues or disputes, making recommendations to the Programme Governance Group, and/or Committee of the DCC Board as appropriate.
- Review and ensure effective mitigation management of the BHP risk log.
- Drive and sponsor effective decision-making.
- Act as the conscience of the programme.
- Recommend targeted independent assurance reviews of handover documentation, artefacts, readiness etc, as appropriate.
- Have an independent Chair.

1.1. Responsibilities

Key responsibilities are expected to be:

- To provide overall direction to the BHP, working closely with the BHP Programme Director and Successor Licensee Programme Director (once awarded).
- To monitor and review progress against the BHP (overall plan and budget), seeking to resolve any blockers/constraints and escalating to the relevant Committee of the DCC Board and equivalent for the Successor Licensee.
- To ensure that any changes to the BHP are properly change-requested and monitored, having gained relevant approvals from stakeholders as appropriate.
- To ensure that programme level risks are identified and adequately managed by the programme, along with appropriate mitigating actions in place.
- To agree what BHP Subsidiary documents are required and advise on their content.
- To support DCC to manage the impact of the handover on any third party service provider contract, including for example new contracts and existing contract renewals.
- To agree "sign off" and approvals criteria for relevant milestones and cutover readiness involving relevant subject matter expertise, SEC Panel and industry forums as appropriate. Advise on the achievement of these milestones and cutover readiness, engaging SMEs as appropriate.
- To recommend and define the scope, deliverables and timings of any external assurance or audit activities.
- To agree information such as BHP Subsidiary documents, progress reports etc to be provided to the wider stakeholder group e.g. SEC Panel.
- To agree the overall communications strategy, messaging and plan for the BHP.

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- To act as the escalation point for any disputes that are unable to be resolved by the Licence Renewal Programme Director / Successor Licensee Programme Director.
- Provide support to the Successor Licensee selection process as appropriate.

1.2. Timing for establishment of JHSG

The JHSG will be established in Spring 2025 following a recruitment process for the JHSG Chair.

2. Membership of the JHSG

2.1. Membership

The JHSG Core Members will be:

- Independent Chair of the JHSG – appointed by DCC
- DCC BHP Programme Director
- DCC Chief Licence Renewal Officer
- Successor Licensee Programme Director (once appointed)
- Ofgem

Other Members that would be invited if appropriate by the Chair are:

- Capita for shareholder services
- Industry stakeholders e.g. SEC Panel for understanding of impact on consumers
- DESNZ

2.2. Quorum

The JSHG will be quorate when a representative for each represented organisation is in attendance and the Chair or a nominated alternative for the Chair. It should be noted that prior to the Successor Licensee being appointed attendance by DCC and Ofgem representatives will be quorate.

The represented organisations are:

- DCC
- Successor Licensee (one appointed)
- Ofgem

2.3. JHSG Chair

DCC will commission and incur the cost of an independent assurance expert to Chair the JHSG and oversee the implementation of the business handover. The Chair shall arrange for a suitable alternate to deputise on occasions when the Chair may be unable to attend a meeting of the JHSG.

2.4. Other Interested Parties

In addition to the core JHSG Members and other Members listed in 2.1, the JHSG Chair is entitled to invite any persons to the JHSG that he/she determines is appropriate to do so. It is envisaged that any such persons will be able to provide the JHSG with expert advice and subject matter expertise on a particular topic as required.

3. Proceedings of the JHSG

3.1. Meetings

The JHSG shall meet at least on a monthly basis. In consultation with attendees, the Chair will determine if additional meetings are required during periods of intense activity such as prior to cut over.

During the BHP Delivery Phase, a weekly report will be sent to JHSG members which will include highlighting any blockers that are impacting progress. If JHSG input is needed before the next meeting is scheduled, an ad hoc meeting will be called to discuss and agree actions to resolve the issue that is impacting progress.

When dealing with escalations, if no meeting is scheduled within the timeframe needed to respond to an issue, a nominated JHSG representative shall seek to resolve the issue on behalf of the JHSG and gain relevant approvals from the JHSG if required.

3.2. Meeting Notice and Papers

Meetings will be scheduled at least quarterly in advance. Requested agenda items (in addition to the standard items as detailed in 3.2) will be provided to the Chair at least 10 working days prior to the meeting date.

5 working days prior to the meeting the following information will be circulated.

- A reminder stating time, date, and location of the meeting. Meeting will be virtual or hybrid.
- Agenda and supporting papers.

3.3. Decision making and escalation

The JHSG will report into the Programme Governance Group / DCC Committee of the Board for DCC purposes and the Successor Licensee Board via Ofgem for the Successor Licensee purposes.

If JHSG are unable to resolve any issues / dispute the Chair will escalate the issue to the:

- a) DCC Licence Renewal Governance Group and/or the equivalent Executive Director level governance group for the Successor Licensee (once appointed).
- b) To the DCC Committee of the Board and/or the equivalent Board level governance group for the Successor Licensee (once appointed).
- c) To the Authority to recommend that the Authority consults the parties on issuing a direction to either or both of the DCC and the Successor Licensee (once appointed), in accordance with DCC Licence Condition 43.21 – 43.23.

as detailed in the Business Handover Plan Handover Dispute Management section.

The Programme Governance Group/DCC Committee of the Board shall have a right of approval over any handover delivery plans to ensure that the handover activities and related demands on DCC resources do not adversely impact ongoing service delivery and compliance of the DCC with its Licence obligations. Ofgem will facilitate relevant approvals if required from the Successor Licensee's Board as appropriate.

3.4. Conflict of Interest

Conflicts of interest may arise if, for example, Capita decide to bid for the new licence or the JHSG are reviewing and discussing options relating to Transitional Services Agreements for shareholder services. The Chair and/or members shall have a duty to identify whether a decision presents a conflict of

interest. In such cases, the member shall absent themselves from the meeting for the purposes of that decision.

4. Meeting Management

4.1. Secretariat

The DCC BHP PMO will provide the secretariat for the JHSG. This will include but is not limited to:

- Schedule and organise the JHSG meetings and send out the invites.
- Circulate agendas and papers for consideration at the meetings, 5 working days in advance of that meeting date.
- Monitor the quorum prior to meetings to ensure that meeting can proceed in a productive manner.
- Circulate minutes of the meeting five working days after the meeting for the JHSG's approval
- Administer the circulation list for JHSG papers and Minutes.

4.2. Standing Agenda

The standing agenda for the meeting will be:

- Progress against plan
- Review of RAID log
- Current issues requiring resolution
- Major risks and mitigation actions
- Dependencies
- Look ahead of key activities for next 3 months.
- Items for referral to DCC Board

4.3. Meeting Inputs

The PMO will work with the BHP team, Successor Licensee and Ofgem to produce the reporting pack for the meeting. This will cover at a minimum:

- Minutes and actions
- Current status against the overall BHP Plan including three months look ahead activity plan, critical path and dependencies
- Current issues and path to resolution
- Items requiring management attention/decisions
- Major risks and mitigation actions
- Look ahead contract renewals and reprocurments
- In-flight project status and look ahead plan
- Look ahead DCC resource demand
- Spend and cost forecast to completion

During the BHP delivery phase, the programme will send a weekly report of key achievements, progress against plan and any blockers that need resolving to JHSG via email. (See section 2.1).

4.4. Meeting Outputs

The output of the meetings will be:

- Common view of the BHP progress against plan.

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- Clear view of risks to contract renewals/in-flight projects with relevant mitigation actions.
- Endorsed risk mitigation actions with an approach to resolve obstacles that have been identified.
- Clear view of decisions for escalation to the Committee of the DCC Board and/or the Successor Licensee Board.
- Agreement on which (if any) BHP Subsidiary Documents require engagement with relevant industry forums.
- Agreement on what information should be provided to SEC Panel and other industry forums as appropriate. It is anticipated that this will be quarterly initially, moving to monthly if required around the specific transfer period. This will include information to be provided to customers relating to readiness assessment and engagement post day of transfer to capture any issues that need resolving relating to the transfer.
- Information to be provided to the SEC Panel and industry groups should there be any material changes to the BHP.
- Log of any actions required and due date.

5. Confidentiality and Disclosure

Given the potentially sensitive nature of discussion, all attendees at the JHSG will abide by confidentiality and disclosure provisions as advised by the Chair to ensure information confidentiality and integrity is maintained.

6. Review

The Terms of Reference, membership and operation of the JHSG may be reviewed based on changes /updates to the BHP to ensure that they remain appropriate to reflect the duties in relation to the BHP. Amendments to these Terms of Reference will be approved by the JHSG members.