

Independent Stakeholder Group (ISG)

Terms of Reference

Introduction

National Gas is committed to transforming the gas transmission network to ensure it delivers energy security today and help enable the country to achieve its ambition of achieving net zero. The plans being developed currently will take us into the early 2030's and it is vital that the plans meet the needs of customers and consumers whilst we navigate through the energy transition.

The Independent Stakeholder Group (ISG) is an independently chaired group not dissimilar to the Independent User Group set up in 2018 as part of the RIIO – 2 framework.

Purpose

The group will have 3 main areas of focus:

1. Scrutinise and challenge company business plan development.
2. Monitor and review delivery of these plans to ensure that they are of high-quality, taking into account local and regional consumer and network user priorities.
3. Review and challenge the approach to stakeholder engagement at all stages.

Roles on the Group

Chair

1. The Chair will be appointed by National Gas and must act as an independent individual and not as a representative of a particular organisation, or group of stakeholders.
2. Ordinarily, the tenure of the Chair appointment will be two years which will be reviewed and may be renewed, subject to mutual agreement between the Chair and National Gas.
3. If the designated Chair is not available, then a formal nominee shall be agreed in advance of the meeting with the consensus of ISG members. The Acting Chair will be responsible for convening and conducting the ISG meetings and for informing the Chair as to the salient points / decisions raised and agreed to at the meeting.
4. The Chair may attend meetings with Ofgem as and when required. The Chair and the ISG members may meet to discuss key topics and issues, share knowledge and experience and understand the cultural attitude of companies relative to other chairs to encourage the sharing of good practice and learning.
5. The Chair may act as a spokesperson for the ISG including providing statements to be used in National Gas communications.

Members

1. The members should be made up of a cross section of senior figures with the appropriate knowledge and experience to be able to provide input and expert challenge to National Gas. Members shall represent the industry, not their company, as independent individuals and on the basis of their experience and knowledge.
2. Members shall be appointed for a tenure of two years which may be renewed, subject to mutual agreement with the Chair.
3. The Chair and National Gas shall keep under review the overall balance of the membership of the ISG, to ensure suitable representation from across National Gas's diverse range of stakeholders and in accordance with the agreed purpose of the ISG.
4. National Gas shall provide additional attendees as required to deliver the agenda topics.

Secretary

1. National Gas shall provide the Technical Secretary for the ISG. The Technical Secretary shall support the Chair in ensuring the smooth functioning of the ISG and shall act as an independent support for the Chair and the ISG, observing the need for confidentiality of closed ISG discussions and communications.
2. The Secretary shall make all relevant materials available to the ISG members in advance of the meetings and shall be responsible for producing the minutes and actions.

Governance

1. All ISG members must sign an agreement containing undertakings on confidentiality due to the sensitive nature of some of the agenda items in the meetings. Any potential conflicts which may be identified after circulation of the agenda should be identified to the Chair at the start of the meeting.
2. If National Gas requires advice from an individual member of the ISG in another capacity and/or due to their specialist expertise or organisational background, this will be done in an extraneous capacity. Being a member of the ISG does not mean individuals cannot partake in engagement activities carried out by National Gas either as an individual or as a representative of their organisations.
3. The agenda and all associated papers shall be circulated by the Technical Secretary to all attendees not less than five working days ahead of the meeting date.
4. The agenda will be based on the agreed forward work programme. Members may raise suggested agenda items to the Chair and also raise additional items under 'Any Other Business' with the advance agreement of the Chair.
5. Due to the subject matter, the meetings are not open to the public.
6. Full copies of the minutes and actions, including attachments, shall be provided for comment to all ISG members, after being approved by the Chair.
7. The Technical Secretary shall ensure that the list of action items is annotated with progress milestones and required completion dates.
8. The Group shall meet as scheduled, broadly following a timetable of once every three months. The schedule of meetings will be agreed by the Chair, as far in advance as possible, taking account, where possible, of members' availability to enable quoracy and participation. Chair approval is required for changes to agreed meeting dates.
9. In order for the ISG meeting to be recognised as an authorised meeting, and for any recommendations or decisions to be valid, a quorum must be present. A quorum shall be defined as a minimum of four ISG members and must include the Chair, or the Acting Chair.

Outputs

1. The group will develop principles for prioritisation to inform an annual work programme. This will be produced at the start of each year in agreement with the Chair, National Gas and all members of the group.
2. The group will keep a record of any recommendations at the end of each meeting. This will be maintained by the Technical Secretary and the progress against each recommendation updated when appropriate.
3. A report may be produced at the end of the year to demonstrate the outputs of the group. This may be in the form of a separate report or as an accompanying document to support the Business Plans or other existing document. This will be published on the ISG webpage, redacted appropriately.