

Code Administration Joint Working Practice

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About This Document

As part of the third Ofgem Codes Governance Review (CGR3), Ofgem and code administrators considered joint working practice for cross-code changes. This was to address perceived issues with processes when changes are progressed that have cross-code impacts. It also aimed to provide transparency of the process. This joint working practice is for code administrators and underpins Principle 13 of the Code Administration Code of Practice (CACoP).



Overview

This document sets out a joint working practice for code administrators to follow when progressing changes that have cross-code impacts. It underpins Principle 13 of the Code Administration Code of Practice (CACoP) which is included as appendix 1 for reference.

It is acknowledged that (to some extent) there are differing arrangements across codes, however, the purpose of the document is to provide as consistent a process as possible. Code administrators are expected to seek the necessary approvals and agreements from their respective code panels¹ in order to follow this joint working practice as required under the relevant industry code rules.

For the avoidance of doubt, in the event that this working practice is inconsistent with the relevant industry code processes, or where an industry code panel does not provide its approval where necessary, the existing industry code rules shall prevail.

Identifying cross-code impacts

Code administrators will, with the support of their respective code panel, keep changes under review to consider potential cross-code impacts².

Code administrators will invite industry code panels to consider and discuss whether there are any related cross-code changes and their impacts when agreeing the progression plan, setting the terms of reference for Workgroups and making decisions in respect of industry code changes.

Code administrators will include question(s) on cross-code changes and their impacts in any consultations issued.

Establishing Oversight and Approach

The code administrator that identifies a cross-code impact is responsible for notifying the other impacted code administrators. They are also responsible for liaising and coordinating with impacted code administrators in order to agree if there is a case for considering cross code working and presenting this to their respective code panel.

Each impacted code administrator is then responsible for providing a project manager³ for the changes identified. Working together, the team of code administrator project managers will co-develop an approach and timetable for the progression of the set of changes.

¹ Not all codes' change processes are governed by a code panel. For simplicity, this working practice uses code panel to mean any equivalent body responsible for that industry code's change processes.

² Code administrators are responsible for reviewing changes arising under the industry codes for which they are responsible. However, this should not preclude code administrators from identifying and highlighting cross-code impacts arising from changes being considered under other industry codes in the event that they become aware of such impacts.

³ While governance and working practices differs across industry codes, it is anticipated that each code administrator will have an identified point of contact that is responsible for supporting and administering particular changes.

The approach and timetable should take account of any potential dependencies in developing solutions, assessing impacts and setting implementation dates. It should also consider the use of joint/back-to back workgroups, consultations and reports.

The code administrators will co-develop a communications plan, ensuring that relevant parties (i.e. industry, code panels and Ofgem) are kept up to date regularly and that the set of changes progress in a transparent manner through use of websites, emails, reports and other engagement mechanisms as required.

The approach and timetable will be agreed by each impacted industry code panel⁴.

Workgroups

Where practicable, joint or back to back Workgroup meetings (held on the same day at the same location) should be used.

- Any joint Workgroup must include the Proposers of the individual industry code changes.
- Where it is not practicable to have joint or back to back Workgroup meetings, a briefing note or minutes should be shared with the other Workgroup(s).
- The scope of work to be considered during assessment by the Workgroup(s) should be agreed by the impacted industry code panels as part of the joint approach as described above.

The relevant code administrators will agree amongst themselves⁵ whom will provide the chair, secretariat and facilities for any joint Workgroup.

Where necessary, and to the extent provided for under the various applicable industry codes, the relevant code administrators should seek their industry code panel's approval for any costs for joint Workgroup meetings, which may include amongst other things the costs of a venue to host the meeting and the expenses of Workgroup members.

Consultations

The approach to running consultations should be considered on a case by case basis. It might be that some consultations can be run as a joint consultation – i.e. a single consultation considering multiple changes. This might be appropriate where changes are considered by a joint Workgroup.

Separate Consultations: Where consultations are run by their respective, individual, code administrators, these consultations should highlight (and, where possible, provide links to) any other consultations being run in respect of associated changes.

Joint Consultations: Code administrators must agree in advance (and subject to the approval of their respective industry code panel's) which code administrator is responsible for administering a joint consultation process.

⁴ In the event of material disagreement between industry code administrators or code panels on the way forward, code administrators will invite Ofgem to provide a clear steer.

⁵ Where necessary, the prior approval of the relevant industry code panel will be sought in order to confirm and give effect to any such agreement.

- The code administrator for each impacted industry code should issue consultation communications on their respective web-sites and in their respective reporting in the usual manner but link such communications to the single, joint consultation as administered by the approved code administrator.
- The approved code administrator should circulate the consultation responses received around all code administrators for publication under their respective codes and for circulation to their respective change contacts as appropriate.

Reporting

The reports to the relevant industry code panel should include details of any related cross-code changes. This should include the status of the changes, any recommendations of the relevant Workgroups and industry code panels, decisions of the industry code panels or the Authority and any impacts or implications associated with the decisions that might be taken across the suite of related changes.

Subject to agreement by the relevant industry code panels, where it is considered appropriate, code administrators may jointly prepare single reports covering the suite of changes that are being progressed through a joint process. These reports must still include specific recommendations in relation to their respective codes and, as such, would need to be published under each of the relevant codes and presented to their respective industry code panels for approval.

Individual industry code panels remain responsible for providing their respective recommendations to the Authority, highlighting in their reports where there are cross-code changes that the Authority should bear in mind when considering its decision.

Industry Communications

Where practicable, code administrators should provide a forum (physical or webinar) to present an overview of the cross-code changes and their impacts and to allow market participants to discuss the changes. The relevant code administrators should agree how this forum would be hosted and operated.

Where code administrators produce reports on change activity in relation to their respective codes, these individual change reports should indicate where there are cross-code changes. This should include the cross-code change reference and which industry code is impacted.

Any consultations and reports should provide a link to the relevant cross-code change webpages.

The webpages for industry code changes should include an indication of, and where practicable a link to, any relevant cross-code changes.

Code Administration Code of Practice Principle 13: Code Administrators will ensure cross Code coordination to progress changes efficiently where modifications impact multiple Codes

Principle Description

Code Administrators will communicate, coordinate and work with each other on modifications that impact multiple Codes to ensure changes are progressed efficiently.

Guidance on Meeting Principle

To achieve this principle Code Administrators should:

- seek views from Code Panels, Workgroups and market participants in order to anticipate, identify and discuss related cross code changes and their impacts.
- proactively update the Code Panels regularly on relevant cross Code changes.
- inform the Code Panels about any related cross Code changes when they make a decision on any modifications.
- proactively inform market participants when cross Code impacts are identified and seek engagement from the relevant market participants in cross Code changes.
- as required, have joint or back to back Workgroup meetings on related cross Code changes.
- work together to coordinate the progression and implementation timetables of related cross Code changes.
- if practically possible, encourage representatives from other Codes to join the Workgroup meetings when there are cross Code impacts.
- if practically possible, coordinate to send a package of related cross Code changes to the Authority.
- encourage Workgroups and Code Panels to not unduly delay changes due to related cross Code changes.