Code Administration Joint Working Practice

Contents

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).

1   Cross Code Changes

Overview

This document sets out a joint working practice for code administrators to follow when planning and progressing changes that have cross-code impacts. It underpins Principle 13 of the Code Administration Code of Practice (CACoP)[1].

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 panels[2] to follow this joint working practice as required under the relevant industry Code rules.

For the avoidance of doubt, if 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 impacts[3]. This will include any potential changes and programmes of work that arise from the strategic aims of Ofgem, Department for Business, Energy and Industrial Strategy (BEIS) or from European regulation ("strategic aims").

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. Code Panels will consider this when 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 or programme of work is responsible for notifying the other impacted Code Administrators. They are also responsible for liaising and coordinating with impacted Code Administrators to agree if there is a case for considering cross-code working and presenting this to their respective Code Panel.

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[1] CACoP Principle 13 'Code Administration Code of Practice Principle 13: Code Administrators will ensure cross Code coordination to progress changes efficiently where modifications impact multiple Codes'
[2] 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.

[3] 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 if they become aware of such impacts.

Each impacted Code Administrator is then responsible for providing a Change Lead[4] 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. The approach and timetable may need to be considered on a case by case basis and take account of any potential dependencies in developing solutions, assessing impacts and setting implementation dates. It should also consider the use of joint or 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.

Where these relate to a strategic aim, the relevant Code Administrators will co-develop a project plan, which will include any identified risks, issues and assumptions; steps to deliver the programme of work, which shall include a critical path analysis; and resource requirements.

If it is identified that a Programme Manager is required to manage the cross-code changes, the relevant Code Panels will determine who to appoint, their remit and responsibilities and how any costs will be managed, taking in to consideration any views of the relevant Code Administrators, Ofgem and BEIS, as necessary.[5] The relevant Code Panels will also determine:

- the remit and responsibilities of the Programme Manager;

- the reporting lines of the Programme Manager with the relevant Code Panels; and

- if and how any costs are shared.

The relevant Code Panels may want to consider joint panel meetings or representations to the other respective Code Panels to facilitate communication and decision making.

The approach and timetable will be agreed by each impacted industry Code Panel[6].

Workgroups

Where practicable, joint or back to back Workgroup meetings (held on the same or consecutive day(s) 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.

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[4] 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.
[5] This may require a moratorium of understanding, or other such agreement, to be in place
[6] 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.

The relevant Code Administrators will agree amongst themselves[7] 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. This may include the costs of a venue to host the meeting and the expenses (where relevant) 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[8] is responsible for administering a joint consultation process.

- The Code Administrator for each impacted industry Code should issue consultation communications on the respective code websites 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[9]. 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.

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[7] Where necessary, the prior approval of the relevant industry Code Panel will be sought to confirm and give effect to any such agreement.
[8] Where a Programme Manager has been appointed, it is expected that this will be carried out by that role.
[9] This may be carried out by the Programme Manager if appointed and included within the role's remit.

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 a project plan is created to identify activities associated with a strategic aim, then this plan will be published.

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.