

Terms of Reference

Code Administration Code of Practice Review: Code Administrators Working Group

Purpose

The purpose of this group is to complete a review of the Code Administration Code of Practice. The group is formed to discuss amendments that have been suggested to this Code of Practice and make recommendations for changes if required.

Background

Ofgem's Code Governance Review concluded in 2010 and led to the implementation of the Code Administration Code of Practice (CACoP). The CACoP aims to provide simplification and convergence of code modification processes in order to reduce complexity and encourage best practice across the codes. An initial set of KPIs was included in the CACoP, however presently no targets are set against these.

The CACoP also describes a standard code modification process, including standardised pro-forma documents, processes and timescales.

Licence modifications were made placing obligations on the licensees to ensure that the UNC, BSC and CUSC are administered in such a way that is consistent with the CACoP and more generally have regard to it. These licence obligations require that the relevant Code Administrators "maintain, publish, review and (where appropriate) amend from time to time the Code of Practice", and such amendments will be subject to Authority approval.

To initiate a first review of the CACoP, Ofgem undertook a user feedback survey in January 2012. A meeting of UNC, BSC and CUSC Code Administrators was held in March 2012 to discuss the application of the CACoP principles, the results of the KPI reporting, any issues raised by the Code Administrators or by users, and to share best practice.

As a number of issues / potential amendments have been identified following the CACoP's implementation, it was agreed that a working group of both Code Administrators and users was required to further explore the issues and form recommendations for any changes to the CACoP if required.

Although UNC, BSC and CUSC are the only industry codes currently mandated to follow the CACoP, other codes follow this on a voluntary basis and may be mandated to it in the future.

Scope and Deliverables

The Code Administrators Working Group, formed for the purpose of this review, is asked to review the CACoP by discussing the issues and potential amendments raised from the CACoP's first year of implementation. The group should set out its findings in respect of whether amendments to the CACoP are required, including:

1. Their assessment of suggested amendments to the CACoP;
2. In particular, considering the standard modification process and KPI measures set out in the CACoP; and
3. The process for reviewing the CACoP; and
4. If amendments are recommended, the nature of these amendments should be set out to enable consultation with all Code Administrators and users.

Composition

The group will be open to all Code Administrators and users. Ofgem will provide a Chair and Secretary for the meeting.

Suggested information sources

- Ofgem Code Governance Review – Final Proposals (March 2010)
- Code Administration Code of Practice
- The UNC Modification Rules
- The BSC Modification Rules
- The CUSC Modification Rules

Timetable

Dependent upon the findings of the workgroup, however, it is anticipated that a consultation on any proposed amendments will be issued in May 2012. Any such changes require Ofgem approval.