

MARKET CODE / OPERATIONAL CODE CHANGE PROPOSAL

Form
version 2.3

Change Proposal reference
(To be completed by the TP Sec.)

MCCP225

Version No.

D.1

PART A — SUBMISSION

A.1. GENERAL DETAILS

A.1.a. TITLE

Landlord SPIDs

A.1.b. COMPANY

Business Stream

Change Proposals must be authorised by the person designated by the signatory to the Market Code Framework / Accession Agreement

A.1.c. AUTHORISED
SIGNATURE

NAME

A.1.d. CONTACT NAME

Duncan Innes

CONTACT EMAIL;
TEL/MOB.

duncan.innes@business-
stream.co.uk
0131 338 3259

A.1.e. ASSOCIATED
MCCP / OCCP

A.1.f. ASSOCIATED
DOCS.

A.1.g. PROPOSED
URGENCY

NON-URGENT

A.1.h. REASONS FOR
URGENCY

The CMA CEO will review this information and make a decision as to whether to take this MCCP / OCCP forward as urgent as defined under Market Code Part 8.9.1

A.2. MCCP / OCCP DETAILS

A.2.a. ISSUE OR DEFECT WHICH THIS MCCP / OCCP SEEKS TO ADDRESS Required under Market Code Parts 8.7.1 (ii) (b) and 8.8.1 (ii) (b)

Where a single site (occupied as at the Go-Live date) is divided into multiple units (each with their own RV), but is supplied through a single external meter, the normal way of setting this up in the market is to create a water & waste SPID pair for the meter, with no drainage services attached and a £0.10 RV, and to create separate waste-only SPIDs for each individual unit. Typically, the landlord for the building will take responsibility for paying the charges for the metered water and sewerage supply, while the individual tenants will each pay the drainage charges for their unit. The landlord may choose to either absorb the cost of the metered charges themselves, or to allocate it between the tenants (under the water resale rules). A water and waste SPID pair of this type will not have an SAA reference and will instead be flagged with the "MT" (Multi Tenancy) UARN absence code. This scenario is often referred to as a "landlord SPID" or a "bulk meter".

There are a number of situations in which it is helpful to understand which waste-only SPIDs are served by a particular bulk meter supply: it helps to clarify whether all services are recorded correctly at a particular property, and to flag up any possible gap sites. Landlords also often ask for this information to help with allocating charges. The deregistration process for a waste-only SPID also requires details of the bulk meter to be supplied, and making this data readily available would help to facilitate this process. The introduction of charging at vacants has also made this more important, as landlords will want to be able to identify all SPIDs served by their meter so that they can potentially switch them together. At present, however, the market does not provide any means of identifying the relationship between a bulk meter and the associated SPIDs. SPID addresses are the best way of matching, but cannot always be relied on – for instance if there are two neighbouring bulk meters – and also need the SPIDs to be sorted through one by one, which can be time-consuming.

This issue was discussed at the December 2017 MPF, and there was general approval in principle for creating a link between SPIDs of this type. We have now worked with Scottish Water to draw up a more detailed set of requirements for the changes that would be required to the Market Codes and Operational Code.

A.2.b. DESCRIPTION OF THE NATURE AND PURPOSE OF THE MCCP / OCCP AND HOW IT MEETS THE MARKET CODE / OPERATIONAL CODE OBJECTIVES AND PRINCIPLES FOR THE MARKET DOCUMENTS Required under Market Code Parts 8.7.1 (ii) (c) and 8.8.1 (ii) (c)

General Description

The proposal is to create a new data item (plus a flag identifying the need for the new item to be populated) allowing landlord SPIDs to be recorded against all the SPIDs they supply.

This item would have the following user requirements:

- A new waste-only data item “Landlord SPID” should be created, which would record the ID of the water SPID supplying a drainage-only SPID (the “tenant SPID”). This would be owned by Scottish Water.
- The T006.3 and T006.5 (for New SPIDs that are Gap Sites or Change of Use) and the T012.3 and T012.4 transactions (for existing SPIDs) should be updated to allow the option of using them to set and maintain the Landlord SPID reference for the tenant SPID. The T006.5 and the T012.4 would be sent to the LP(s) owning the tenant SPID and the landlord SPID. The following validations would apply to the SW transaction:
 - The tenant SPID must be waste-only
 - The landlord SPID must be an active water SPID with the MT SAA Absence Code and status of REC or TDISC. The UPRN Absence Code would not act as a validation check.
- The same transactions would also allow the Landlord SPID to be changed or removed. The Landlord SPID data item would not have an effective date, and there would be no default value.
- Validation would be added to the T015.0, T016.0 and T012.5 transactions such that a Landlord SPID could not be deregistered, or set to unmeasured, or have the “MT” absence code removed so long as at least one tenant SPID was linked to it.
- Appropriate error codes should be created to reflect the validation rules described.
- If a matching water SPID is subsequently created for the tenant SPID, the Landlord SPID item should be automatically removed.
- The Landlord SPID data item should be included in the X32 report of the Market Data Set.
- The LVI should be amended in the following ways:
 - An additional “Landlord/Tenant details” tab should be created on the SPID screen. This would be divided in two. The left side (only populated if the SPID is a Landlord SPID) would list any tenant SPIDs served by the Landlord SPID, including the address details for each one. The tenant SPID should include a hyperlink to that SPID’s details. The right side would only be populated if the SPID was a tenant SPID and would provide a history of any Landlord SPID references recorded for it.
 - “Landlord SPID” should be included under “SPID Information” under the “General SPID Info” tab. This should be a hyperlink to the SPID details.
- An additional report should be created to record the history of all Landlord SPID associations.

Scenario details

The table below sets out a number of change scenarios that might occur after a Landlord SPID item has been added, and how these would be handled:

Scenario	Market update required	Treatment of Landlord SPID data item	Consequences of not correcting
Meter replacement for Landlord SPID	Normal meter replacement process	LS data item relates to SPID not meter so no action required	N/A

Meter removed from Landlord SPID - supply changes to unmeasured	Dereg of MT pair; creation of unmeasured supplies for tenants	Addition of the water SPID would automatically remove any Landlord SPID reference from the tenant SPID, as noted in the URs	N/A (if implemented this way at the CMA)
Creation of new MT flag	Split of existing pair into MT pair and tenant SPIDs	Process of adding MT flag should also involve adding Landlord SPID data to tenant SPIDs	Data will be missing in market, but will have no direct impact.
Creation of new tenant SPIDs	Split of existing tenant SPIDs into two or more	Splits process should include check on whether LS item should be copied over	Data will be missing in market, but will have no direct impact.
Supply is disconnected or deregistered	PDISC of MT pair. Any related tenant SPIDs should have arrangements confirmed and potentially deregistered	Should be reviewed as part of confirming arrangements	Incorrect data will exist in market, but will have no direct impact and should be easy to identify.

LPs would be able to propose changes to the Landlord SPID using an amended version of Process 33 (Amendment of SAA Reference Number, Unique Property Reference Number, Live Rateable Value at a Supply Point at the request of the Licensed Provider) in the Operational Code. An OCCP will be submitted to the April TP including the details of this.

Principles and Objectives affected
CMA Guidance Note GN009 may be referred to for assistance with this section

PRINCIPLE	AFFECTED (Y/N)	DESCRIPTION
Proportionality	Y	Minimal additional data provides additional information.
Transparency	Y	Additional information is provided to market participants.
Simplicity, Cost-effectiveness, and Security	Y	Minimal changes provide further information.
Non-exclusivity	N	
Barriers to Entry	N	
Customer Contact	N	
Non-discrimination	N	
Non-detrimental to SW Core Functions	N	
MC / OC OBJECTIVES	N	

A.2.c. IMPACT
 Required under Market Code Parts 8.7.1 (ii) (d), (f) and (g), and 8.8.1 (ii) (d) and (f)

CONFIGURED ITEM	IMPACTED (Y/N)	DESCRIPTION
MC / OC	Y	See description for OC changes.
CSDs	Y	CSD0301 and CSD0302 changes.
Wholesale Services Agreements	N	
Licenses	N	
CMA Central Systems	Y	See Indicative URs
CMA business processes	N	
Trading Party systems	Y	Commensurate with CSD changes
Trading party business processes	N	

A.2.d. DRAFT LEGAL TEXT
Required under Market Code Parts 8.7.1 (ii) (d) and 8.8.1 (ii) (d)

CSD0301 should be modified as follows:

Two new Data Items should be added;

Data Item Number:	D2045
Data Item Name:	Landlord SPID
Data Item Logical Type:	string
Member of unique serial set:	yes
Member of Valid Set:	yes
Data Group:	SPID (Category)
Correction Method:	Error Rectification
Data Owner:	Scottish Water
Description:	Used only for drainage-only SPIDs; identifies the Landlord SPID the SPID is served by.

Data Item Number:	D2046
Data Item Name:	Landlord SPID Flag
Data Item Logical Type:	Boolean
Member of unique serial set:	No
Member of Valid Set:	No
Data Group:	SPID (Category)
Correction Method:	Error Rectification
Data Owner:	Scottish Water
Description:	Used only for drainage-only SPIDs; identifies whether there is a Landlord SPID for the identified SPID.

The T006.3, T006.5, T012.3 and T012.4 transactions should have the D2045 and D2046 Data Items added as Optional Data Items (noting that the D2045 in the T006.3 will have a default of False).

CSD0302 should be modified by the addition of the D2045 Data Item to the X32 MDS file as a nvarchar (12) Optional Item (i.e. may be empty if no D2045 exists for a given D2001 SPID).

A.3. IMPLEMENTATION DETAILS

A.3.a. PROPOSED IMPLEMENTATION DATE OR LEAD TIME
Timescale must not overlap with the period of consultation with the Commission and should take account of the impacts identified in Section A.2.c. Any quoted lead time should commence from date of Approval.

September 2018

A.3.b. ANY LIMITATIONS OR DEPENDENCIES FOR IMPLEMENTATION

A.4. ANY OTHER COMMENTS

SW will need to undertake a data acquisition exercise, in order to identify the relevant D2045 and D2046 data items and the D2001s to which they should be added. However, these data item values can be uploaded as BAU at any time following deployment.

It has additionally been identified that the D4003 Text Comment Field Data Item in the T012.3 and also in the T012.0, T012.1, T012.2, T012.3 and T012.4 transactions should be Optional, are identified in the CSD as Required and this should be changed, accordingly.

PART B — TP ASSESSMENT

B.1. ASSESSMENT PROCESS

B.1.a. ASSESSMENT START DATE	2018-01-11	ASSESSMENT END DATE	2018-02-15
B.1.b. IMPACT ASSESSMENT REQUIREMENT	IA REQUIRED		
B.1.c. CONSULTATION REQUIREMENT	TP CONSULTATION NOT REQUIRED		
B.1.d. ASSOCIATED DOCUMENTS (to this Part B)			

B.2. ASSESSMENT DETAILS

B.2.a. CHANGE SPEC AND IMPACT (IF DIFFERENT FROM THAT ORIGINALLY SUBMITTED)

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B.2.b. CMA INTERNAL SYSTEMS IMPACT

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B.2.c. DRAFT LEGAL TEXT (if different from that originally submitted)

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B.2.d. TP ASSESSMENT Taking into account complexity, importance and urgency, and having regard to whether or not such proposal is within the relevant Objectives and Principles as required under Market Code Parts 8.7.1 (v) and 8.8.1 (iv)

Impact on Principles and Objectives (if different from that originally submitted)	
Cost Estimate	CMA Cost Modelling suggests £86k
Benefit Estimate (L: < 10k, M: £10k to £100k, H: > £100k)	
B.3. TP DECISION	TP APPROVED
B.4. FINAL TP VIEWS	The TP noted and accepted that a subsequent MCCP would be brought forward to remove an anomaly whereby the multi-occupancy obligations are currently limited to sites occupied at Go-Live.
B.5. PLANNED IMPLEMENTATION DATE	Sept 2018

WITHDRAWN BY PROPOSER?	No
COMMENTS	
DATE OF WITHDRAWAL	

PART C — COMMISSION APPROVAL

C.1. DATE FINAL REPORT ISSUED TO COMMISSION	2018-03-02
C.2. APPROVAL STATUS	APPROVED CHANGE
C.3. DATE OF APPROVAL STATUS	2018-03-21
C.4. COMMISSION RESPONSE REFERENCE	

PART D — IMPLEMENTATION

D.1. IMPLEMENTATION DATE	2018-09-27
D.2. IMPLEMENTATION DETAILS (MC version, CSD versions, CMA Central Systems release number, etc.)	
CMA CS v5.2 CSD0301 v19 CSD0302 v11	