

# Remittance Processing Operational Procedure

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# 1. INTRODUCTION

## 1.1 Glossary

Definition	Acronym	Description
Green Deal Bill Payer		As defined in GDAA.
Data Flow		As defined in the GDAA.
Data Transfer Catalogue	DTC	As defined in the GDAA.
Green Deal Arrangements Agreement (Agreement)	GDAA	Means the agreement of that name required to be maintained pursuant to Standard Condition 38 of the Electricity Supply Licence.
Green Deal Daily Charge		As defined in the DTC.
Green Deal Charges		As defined in the GDAA.
Green Deal Plan		As defined in the GDAA.
party		As defined in the GDAA.
Remittance Amount		As defined in the GDAA.
Remittance Bank Account		As defined in the GDAA.
Remittance Date		As defined in the GDAA.
Remittance Information		As defined in the GDAA.
Remittance Processor		As defined in the GDAA.
Supplier Bank Account		As defined in the GDAA.
User File		The physical file of data exchanged between a user system or application and the DTN Gateway.
Working Day	WD	As defined in the GDAA.

**Table 1 – Glossary**

## 1.2 Background

A Supplier has the obligation to collect funds on behalf of the Green Deal Provider or Finance Party. The Supplier will send a notification to the Remittance Processor of the Green Deal Charges collected. This information is sent via a D0328 “Provide Remittance Details” Data Flow with details of the individual transactions and at the same time will remit the associated funds to the Remittance Person.

The Remittance Processor will respond back to the Supplier via a D0329 “Response to Green Deal Remittance Details” Data Flow, to either confirm whether everything in the listing is correct or not. In addition, the Green Deal Provider or Finance Party, will check whether funds transferred into the Remittance Bank Account are correct.

The Remittance Process Maps are provided in Annex 1. This process should be read in conjunction with the MRA’s GDOP 11 – Passing of Green Deal Plan Remittance Data to the Remittance Processor, available on the MRA website.

There are a number of scenarios which could occur as a result of D0328 and D0329 Data Flow interactions and fund transfers. This procedure identifies those scenarios, and prescribes what should be done during those events.

In addition to the GDAA and MRA codes and Procedures, parties should also consider the obligations under the relevant regulations and legislation, such as the Green Deal Code of Practice, the Consumer Credit Act 1974 and the Green Deal Framework (Disclosure, Acknowledgment, Redress etc.) Regulations 2012.

### **1.3 Purpose**

Pursuant to Clause 7.6 of the GDAA, this procedure sets out the processes for the D0328 Data Flow, and the error codes which can be sent in a D0329 Data Flow.

The procedure also aims to ensure that the Green Deal Provider has sufficient detail to meet their obligations under the legislation – both primary and secondary.

### **1.4 Associated References**

The latest version of Data Flows and Data Items is available at: <http://dtc.mrasco.com>.

The “GDOP 11 – Passing of Green Deal Plan Remittance Data to the Remittance Processor” is available here: <http://mrasco.com/green-deal/gdcc-database-information-for-users-gdcc-release-050-information-for-users>

Further GDAA Guidance is published on the GD ORB website: <http://gdorb.decc.gov.uk>.

## 2. REMITTANCE DATA WITHIN THE D0328 DATA FLOW

### 2.1 Introduction

The D0328 Data Flow “Provide Remittance Details” is sent by the Supplier alongside the funds that the Green Deal Bill Payer (Bill Payer) has made to their account, or to reclaim funds remitted to the Bill Payer. It is used to inform the Green Deal Provider or Finance Party (who is acting as Remittance Processor) of the details of that payment such that they can accurately allocate the funds to the correct Bill Payer and understand, in sufficient detail, to meet their regulatory requirements.

Pursuant to clause 12.2.1 of the GDAA, the D0328 Data Flow is sent on the Remittance Date (the relevant date on which Green Deal Charges are due to be remitted, as defined in Schedule 6 of GDAA) and funds transfer is made at the same time.

For reference, the latest D0328 Data Flow can be found at <http://dtc.mrasco.com>.

### 2.2 Fund Transfers

Pursuant to Clause 12.2 of the GDAA, Suppliers shall remit the funds to the relevant Remittance Person (as nominated by the Green Deal Provider) along with sending the D0328 Data Flow with the remittance information. To ensure that the Data Flows and remitted funds are aligned, and that where an error has occurred the appropriate corrective or reclaim D0328 Data Flow is sent, a number of considerations are addressed below.

#### 2.2.1 Timing of Fund Transfer

The D0328 Data Flow and the instruction of the funds transfer to the relevant Remittance Bank Account shall take place on the same day (the Remittance Date as defined in Schedule 6).

#### 2.2.2 Reference Number

Where funds (or refunds) are transferred between the Suppliers and Remittance Persons, the “GD Payment Transaction Remittance Reference” (J1797) in the D0328 Data Flow(s) should be used as the reference number for that transfer of funds. The reference number should be unique to that Supplier.

#### 2.2.3 Aggregation of Remittances

The Remittance Amounts for a number of Green Deal Plans may be aggregated in one remittance (transfer of funds) but a separate notification via D0328 Data Flow shall be sent for each Green Deal Plan included in that remittance.

A User File may carry a D0328 Data Flow with information for a number of Green Deal Plans. The Remittance Amount will be indicated separately for each Green Deal Plan included in the D0328 Data Flow.

Each D0328 Data Flow will be associated with one transfer of funds and will hold the same reference number.

## **2.2.4 Know Your Customer requirements**

The GDAA parties should ensure that the correct details are used for the transfer of funds, and that to their knowledge, no change to the Supplier Bank Account or Remittance Bank Account has occurred.

Both Remittance Persons and Suppliers shall provide the other party with such information as required to verify its identity before funds are transferred. Vendor set-up forms are made available by the Panel Secretary to parties upon accession.

The funds will be remitted to the Remittance Bank Account that is notified for the Green Deal Provider/ Finance Party of that Green Deal Plan on the Remittance Date.

## **2.3 Allocation of Payments to the correct Bill Payer**

The D0328 Data Flow is sent to notify the Remittance Processor of the Green Deal Charges paid by the Bill Payer. This should enable the Green Deal Provider to allocate the payment to the correct Bill Payer within their own systems.

Where a change to the Bill Payer has occurred, a Supplier will send the D0326 “Green Deal Licensee Update to Bill Payer Details” Data Flow to the GDCC, following which the GDCC will send the D0338 “Update to Bill Payer Details” Data Flow to the relevant Green Deal Provider. The D0328 Data Flow will be completed taking into account of any previously sent D0326/ D0338 Data Flows.

There are a number of scenarios to be considered when allocating the Green Deal Charges to the correct Bill Payer, mainly depending on whether no change/ a change/ a retrospective change of the Bill Payer has occurred.

In principle, the Green Deal Charges shall be allocated to that Bill Payer, who was notified as the Bill Payer for that period, for which the “GD Payment Period End Date” (J1789) falls within. This is done based on the interpretation of any previously received D0328/ D0338 Data Flows at any given time. The Green Deal Provider shall then use the descriptions below to allocate the payments of Green Deal Charges to the correct Bill Payer. For clarity, the allocation of the Green Deal Charges to the correct Bill Payer here is used to describe both – the Green Deal Charges collected and the reclaims carried out in relation to the collected Green Deal Charges.

The principles for allocating the charges to the correct Bill Payer are described below and illustrated in Annex A.

### **2.3.1 Payments by the initial Bill Payer**

Where:

- the Green Deal Charges relate to the current Bill Payer; and
- no D0326 and D0338 Data Flows have been sent with the “Change of Account Indicator” (J1745) set to either “C” or “A” or “O”

the “GD Payment Period End Date” (J1789) in the D0328 Data Flow will be set to the date to which the Supplier has charged the Bill Payer a Green Deal Daily charge.

### **2.3.2 Payments by the current Bill Payer**

Where the Green Deal charges relate to the current Bill Payer, the D0328 Data Flow will be populated such that the “GD Payment Period End Date” (J1789):

- will be set to the date to which the Supplier has charged the current Bill Payer a Green Deal Daily Charge; and
- will be always greater than the “Bill Payer Details EFD” (J1742) date of any D0326 and D0338 Data Flows that has been sent, with the “Change of Account Indicator” (J1745) set to either “C”, “O” or “A”.

### 2.3.3 Payments by a previous Bill Payer

Where the Green Deal Charges relate to the previous Bill Payer, the D0328 Data Flow will be populated such that the “GD Payment Period End Date” (J1789):

- will be set to the date to which the Supplier has charged the previous Bill Payer a Green Deal Daily Charge;
- will be greater than the “Bill Payer Details EFD” (J1742) date for that (previous) Bill Payer; and
- will be less than the “Bill Payer Details EFD” (J1742) in the D0326 and D0338 Data Flows that had been sent for the next (current) Bill Payer, with the “Change of Account Indicator” (J1745) set to either “C”, “O” or “A”.

Where there has been a Change of Supplier, the “GD Payment Period End Date” (J1789) will be equal to the last day the Supplier was responsible for that MPAN.

## 2.4 Where there has been a retrospective amendment to Bill Payer

Any change of Bill Payer will be notified to the Green Deal Provider in line with the requirements outlined in clause 16.2 of the GDAA.

The most recent “Bill Payer Details EFD” date in any of the D0326 and D0338 Data Flows will indicate the current Bill Payer. Where the Green Deal Charges relate to a previous Bill Payer that is notified retrospectively, the D0328 Data Flow will be populated such that the “GD Payment Period End Date” (J1789) for each previous Bill Payer:

- will be set to the date to which the Supplier has charged the previous Bill Payer a Green Deal Daily Charge;
- will be greater than the preceding “Bill Payer Details EFD” (J1742) date in any D0326 and D0338 Data Flows, with the ‘Change of Account Indicator’ (J1745) set to either “C”, “O” or “A”; and
- will be less than the next following “Bill Payer Details EFD” (J1742) date in any D0326 and D0338 Data Flows, with the ‘Change of Account Indicator’ (J1745) set to either “C”, “O” or “A”.

Where a change of Bill Payer has been notified retrospectively, and Green Deal Charges have been remitted, the Supplier will carry out the reclaim and re-allocation of the Green Deal Charges, as necessary. A reclaim of the remitted Green Deal Charges will be carried out before or at the same time as the corrected remittance being made.



### 3. RESPONSE CODES WITHIN THE D0329 DATA FLOW

#### 3.1 Introduction

The D0329 Data Flow “Response to Green Deal Remittance Details” is a response to the D0328 “Provide Remittance Details” Data Flow. The D0329 Data Flow is used to inform the Supplier of receipt of their notification via the D0328 and confirm whether the values in the Data Flow match or whether the values in the Data Flow have errors.

Pursuant to clause 12.2.4 of GDAA, the D0329 Data Flow is returned within three (3) Working Days of receipt in Cleared Funds of the funds transferred.

To identify whether the D0328 Data Flow is correct or not the “GD Payment Transaction Response Code” (J1799) can be used and has the following response code options:

- ARA – All Payments Accepted
- RTE – Remittance Total Value Error
- IRE – Individual Record Errors

In the event where “IRE” response code is used in D0329 Data Flow, “GD Payment Transaction Remittance Rejection Code” (J1798) data item has the following rejection code options which can be used to identify which GD Plan ID record is incorrect and why:

- CHG – Charging Error
- MRP – Misdirected Remittance
- RRR – Reclaim Request Rejected

In the event that everything is correct within the D0328 Data Flow and it matches the remitted funds, the Remittance Processor will send back a D0329 Data Flow with a “GD Payment Transaction Response Code” as “ARA”.

In the event where either the total of the D0328 Data Flow, the individual data items in the D0328 Data Flow or the funds transferred are incorrect, the “RTE” or “IRE” response codes will be used in the D0329 Data Flow. Any funds transferred will be returned and the Remittance Process will then be started with a new D0328 Data Flow and associated fund transfer.

#### 3.2 Response Scenarios

The D0328 Data Flow identifies the funds being transferred for the Green Deal Charges collected. Therefore, both the Data Flows and the actual funds transferred need to match. In principle, there are two scenarios described below.

Process Map for Response scenarios is included in Annex 3.

##### 3.2.1 Flow and Cash Correct

The “GD Payment Transaction Response Code” (J1799) of “ARA” should be used in D0329 Data Flow to confirm that all entries in the D0328 Data Flow are correct. Funds transferred alongside the D0328 Data Flow are also correct and match the “GD Total Charges Remitted” in the D0328 Data Flow.

**3.2.2 Cash not received**

Where a D0328 has been received and no funds have been received within three (3) Working Days, a D0329 Data Flow with the appropriate “GD Payment Transaction Response Code” and “GD Payment Transaction Rejection Code” is to be sent by the Remittance Processor. The Remittance process is started with a new reference number.

**3.2.3 Flow not received**

Where funds have been received but no associated D0328 has been received within three (3) Working Days, a D0329 Data Flow with the appropriate “GD Payment Transaction Response Code” and “GD Payment Transaction Rejection Code” is to be sent by the Remittance Processor. Funds transferred without a Data Flow are returned alongside the D0329 Data Flow. The Remittance process is started with a new reference number.

**3.2.4 Flow and/ or Cash Incorrect**

Where a D0328 Data Flow contains incorrect remittance data, or the funds transferred are incorrect, a D0329 Data Flow with the appropriate “GD Payment Transaction Response Code” and “GD Payment Transaction Rejection Code” is sent by the Remittance Processor. Funds transferred with the incorrect Data Flow are returned alongside the D0329 Data Flow. The Remittance process is started with a new reference number.

**3.3 ARA - All Records Accepted**

“ARA” as “GD Payment Transaction Response Code” within the D0329 Data Flow should only be used when all records within the D0328 Data Flow are correct and match the funds remitted alongside the D0328 Data Flow.

Where the D0328 Data Flow is a reclaim only or negative in aggregate, the reclaimed amount will be transferred into the Supplier Bank Account alongside the D0329 Data Flow.

**3.4 Rejection Codes**

Where the Remittance Information in the D0328 Data Flow is not correct or does not match the funds transferred, the Remittance Processor shall use “RTE” or “IRE”.

Where D0329 Data Flow with “RTE” or “IRE” as “GD Payment Transaction Response Code” has been returned, the Green Deal Provider/ Finance Party will instruct the return of the funds to the Supplier Bank Account at the same time as returning the D0329 Data Flow. “GD Payment Transaction Remittance Reference” should be used as the reference in the bank transfer.

The remittance process shall then be started with a new D0328 Data Flow and associated fund transfer, with a new reference number. The parties should investigate the issue and the reasons for rejection before re-issuing the data flow.

**3.4.1 RTE – Remittance Total Value Error**

“RTE” as the “GD Payment Transaction Response Code” in the D0329 Data Flow shall be used in the scenario where the “GD Total Charges Remitted” in the D0328 Data Flow:

- Does not add up to the total of all “GD Charge Net Payments Paid for Period” for each Green Deal Plan for which the Remittance Information is being included in this Data Flow; and/or
- Does not match the funds transferred alongside the D0328 Data Flow.

### 3.4.2 IRE – Individual Record Errors

“IRE” as the “GD Payment Transaction Response Code” in the D0329 Data Flow shall be used in the scenario where the error has occurred in relation to the individual records of the Remittance Information contained in the Data File.

If the “IRE” is sent in the response, the Remittance Processor will use a further “CHG”, “MRP” or “RRR” codes, as appropriate.

- **MRP – Misdirected Remittance**

In cases where a Remittance Information received in D0328 Data Flow for a Green Deal Plan not recognised by a Remittance Processor, the D0329 Data Flow bearing the “IRE” as the “GD Payment Transaction Response Code” and “MRP” as the “GD Payment Transaction remittance Rejection Code” for the affected Green Deal Plan(s) will be returned.

- **RRR – Reclaim Request Rejected**

Where the invalid reclaim request has been identified, D0329 Data Flow will be sent containing “IRE” as the “Transaction Response Code” and “RRR” as the “GD Payment Transaction remittance Rejection Code”.

If a reclaim request was aggregated with other remittances, and fund transferred was made, the Green Deal Provider/ Finance Party will instruct the return of the funds to the Supplier Bank Account at the same time as returning the D0329 Data Flow.

Where the Supplier and Remittance Processor cannot agree on whether the reclaim request is valid, the escalation to the Contract Managers will take place (Section 4).

- **CHG – Charging Error**

Where charging errors are identified in the D0328 Data Flow, the Remittance Processor will return D0329 Data Flow containing “IRE” as the “Transaction Response Code” and “CHG” as the “GD Payment Transaction remittance Rejection Code”.

## 4. ESCALATION

If an error is identified by a party, that party is required to take reasonable steps towards corrective action. All GDAA parties shall endeavour to respond to queries of other GDAA parties in a timely manner.

For situations where questions arise concerning remittance issues, each party shall nominate a Remittance Contact. If an issue cannot be resolved between Remittance Contacts within five (5) WD, it should be escalated to the Remittance Contact's line manager. If the issue is not resolved within a further five (5) WD, it shall be escalated to the relevant Contract Manager.

A list of GDAA contacts is maintained on the GD ORB website members area: <http://gdorb.decc.gov.uk/members-area> .

Where resolution cannot be found with the Contract Manager, the GDAA dispute resolution clauses will apply (Clause 27).

<b>Process</b>	<b>Timescale (Working Days)</b>	<b>Responsibility Level of Contact(s)</b>
Initial contact	Day 0 (D)	Remittance Contact
First escalation	D + 5	Supervisor/ Manager of Remittance Contact
Final escalation	D + 10	GDAA Contract Manager

## 5. ADDITIONAL PRINCIPLES

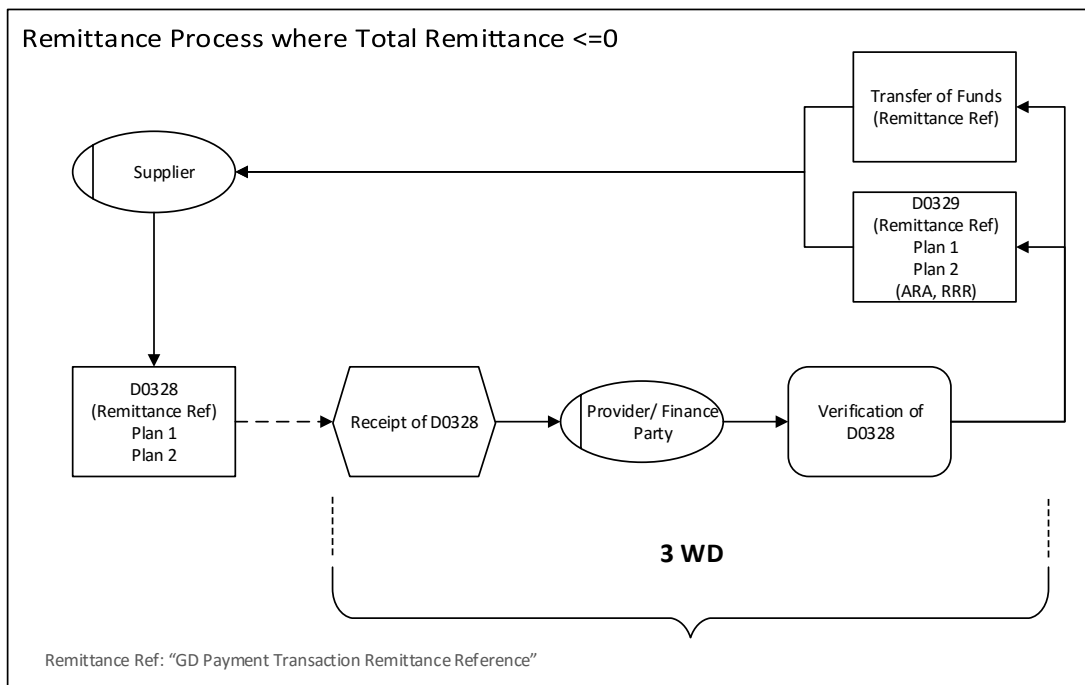
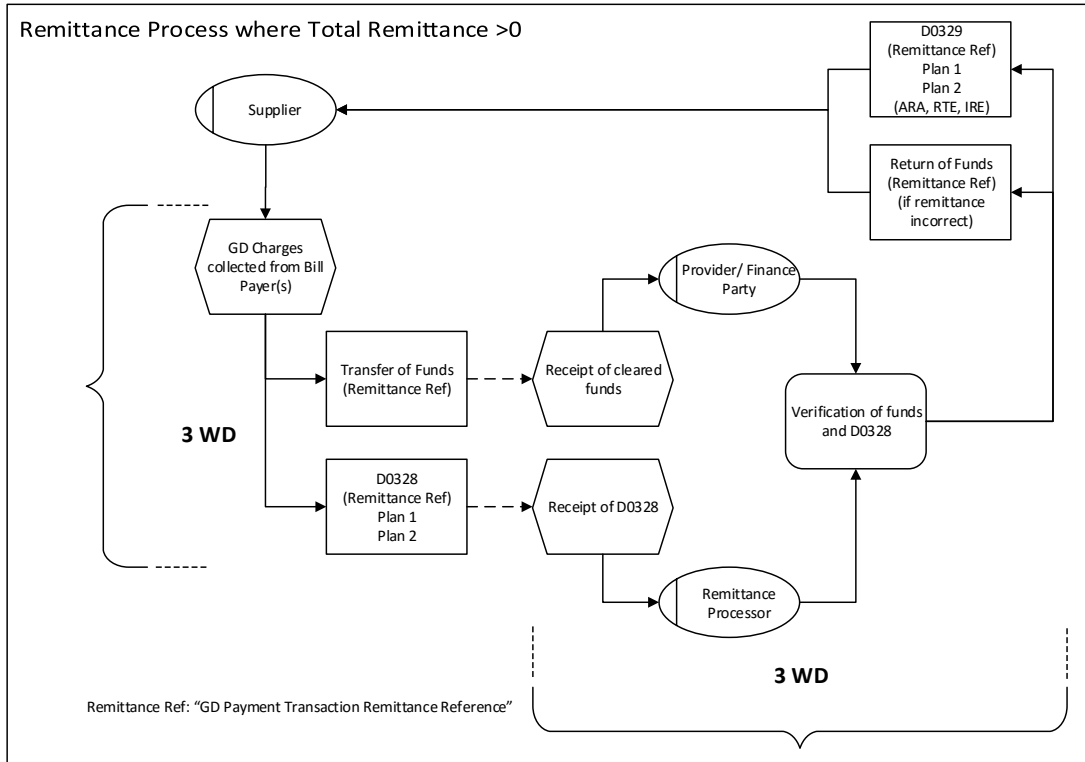
### 5.1 Early Repayment Scenarios

To ensure that the customer experience is managed appropriately, the following principles should be followed:

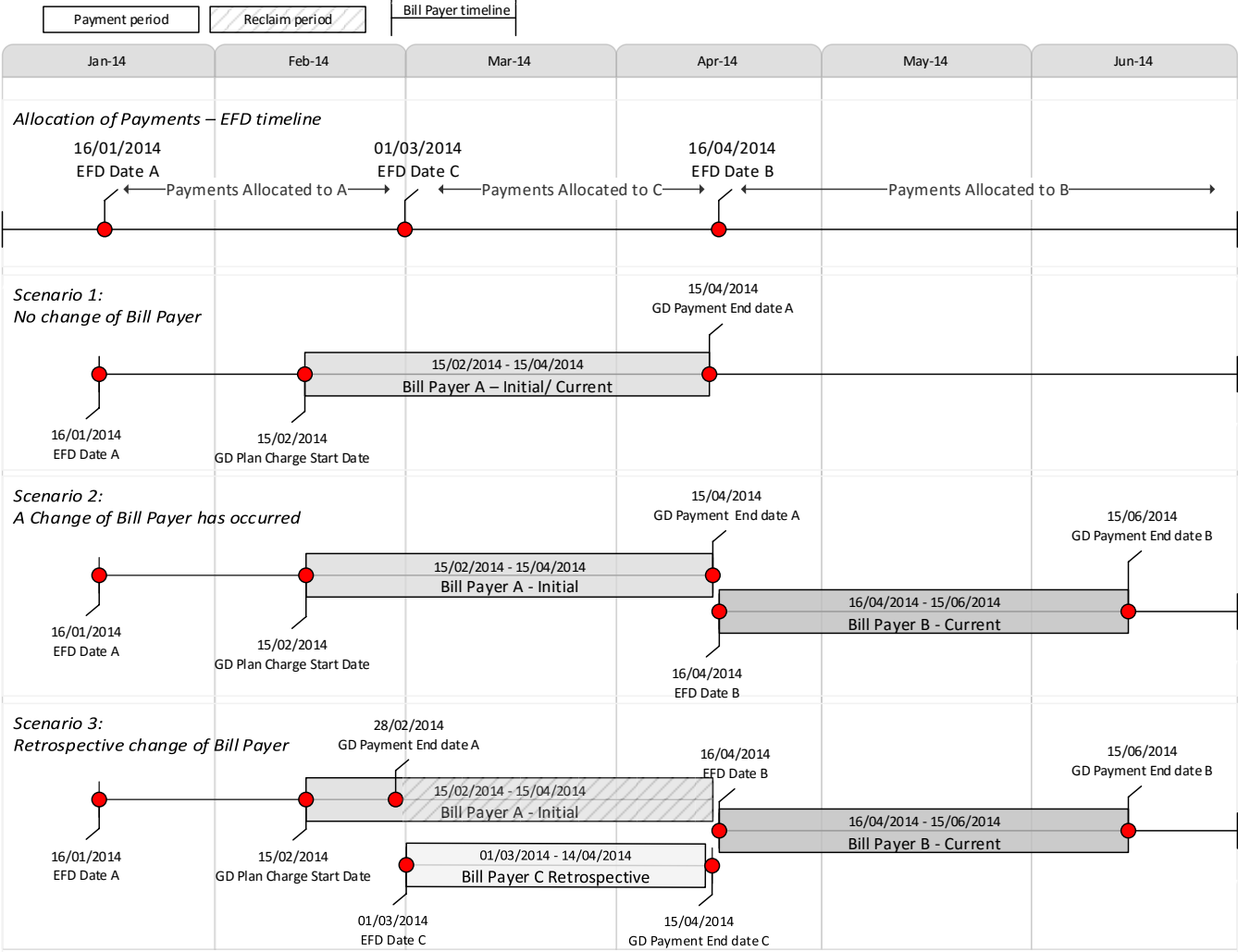
- Providers shall inform their customers that different methods of payment during a partial and/ or full early repayment, may result in unintentional overcharge, and that any overcharge would be refunded.
- Providers shall endeavour to make their customers aware of any potential delays in advance of an early repayment being agreed.
- Providers should provide additional information and/ or guidance to their customers when they produce early settlement quotes.
- If the Green Deal Charges End date in the D0328 matches the date provided to the customer, Suppliers should ensure that the charges passed to the Provider /Finance Party balance with the total daily charges up to that date.
- If the Green Deal Charges End date contained in the D0328 does not match the date quoted to the customer, the Providers should return the charges to the Bill Payer as per the obligation under Clause 11.8.3.

# Annex 1: Remittance Process Maps

This process should be read in conjunction with GDOP 11 from the MRA which shows the *information routing only*.



# Annex 2: Allocating the GD Charges to the correct Bill Payer



### Annex 3: Processing D0329 and Fund Transfers

