

## Security Sub-Committee

### Terms of Reference (ToR) Version 3.0

The Security Sub-Committee (SSC) shall be established pursuant to Section G7 of the Smart Energy Code (SEC).

Unless otherwise stated, defined terms have the same meaning as that which is attributed to them in the SEC.

#### 1. The role of the Security Sub-Committee

The prescribed duties and powers of the SSC are set out in SEC Section G7.16 to G7.20

Roles and responsibilities will be switched on by the Panel at an appropriate time, to include:

- maintaining the End-to-End Risk Assessment;
- maintaining the Security Requirements;
- maintaining the Risk Treatment Plan;
- maintaining the Security Architecture;
- maintain the Security Controls Framework;
- reviewing security-related modifications;
- reviewing reports produced as part of the DCC and User assurance processes, and agreeing remediation plans;
- reviewing the assurance arrangements to ensure that they remain fit for purpose; and
- overseeing and maintaining the Security Characteristics for the Commercial Product Assurance (CPA) Scheme.

These powers will be transitioned from the relevant transitional groups to the SSC as and when deemed appropriate by DECC. The process for the transfer of responsibilities is described in DECC's document, SA16: Transfer Of Technical & Business Assurance, Security And Regulatory Responsibilities For Smart Metering From DECC To The SEC Panel & Ofgem.

#### 2. Out of Scope

The role of the SSC does not include the following:

- a) Functions outside of those listed above unless otherwise directed by the Panel.
- b) Activities that do not contribute to achievement of SEC objectives.
- c) Setting policies that fall under the remit of the Panel or another Sub-Committee.

### **3. Proceedings of the SSC**

#### **3.1 Meeting Frequency**

The SSC shall hold meetings with such frequency as it may determine or the SSC Chair may direct, but in any event shall meet at least once every two months.

#### **3.2 Quorum**

No business shall be transacted at any meeting of the SSC unless a quorum is present at that meeting. The quorum for each SSC meeting shall be one half of all SSC Members appointed at the relevant time, at least one of whom must be the SSC Chair or the SSC Chair's nominated alternate.

#### **3.3 Meeting Notice and Papers**

Each meeting shall be convened by the Secretariat. A minimum of five Working Days' notice shall be provided (or such shorter notice as directed by the Panel, or the SSC Chair).

Notice of each meeting shall be accompanied by:

- a) Time, date and location of the meeting;
- b) Arrangements for those wishing to attend the meeting by means other than in person; and
- c) Agenda and supporting papers.

#### **3.4 SSC Chair**

The SEC Panel shall approve the appointment of the SSC Chair in accordance with SEC Section G7.5 and shall review the appointment in three years from the date of appointment.

Selection of the SSC Chair shall be determined by the SEC Panel, providing the selection ensures that:

- a) the selection does not preclude the Panel Chair fulfilling this role;
- b) the candidate selected is regarded by the Panel as having suitable experience and expertise to discharge their duties as the SSC Chair; and
- c) the candidate has declared any relationships or shareholdings with individuals or organisations that might be perceived to create a conflict of interest and, in light of such declarations, the SEC Panel believes that the candidate will be able to act in a sufficiently independent manner in their role as the SSC Chair.

The SSC Chair shall not be entitled to vote unless there is a deadlock, in which case the SSC Chair shall have the casting vote.

#### **3.5 Powers and Voting**

In accordance with C6.9 of the SEC:

- each SSC Member shall be entitled to attend, and to speak and vote at, every meeting of the SSC;
- all decisions of the SSC shall be by resolution. In order for a resolution of the SSC to be passed at a meeting, a simple majority of those SSC Members voting at that meeting must vote in favour of that resolution. In the event of a voting deadlock, the SSC Chair shall have the casting vote; and

- a resolution in writing signed by or on behalf of all the SSC Members shall be as valid and effective as if it had been passed at a meeting of the SSC duly convened and held. Such a resolution may be signed in any number of counterparts.

Each SSC Member must first provide written confirmation to agree to serve on the SSC in accordance with the SEC before exercising powers or voting.

### **3.6 Membership**

The Panel shall invite applications from individuals to serve on the SSC in accordance with SEC Section G7. Those individuals shall be of suitable experience and qualifications required to fulfil the duties of the SSC.

Members shall act independently, not as a delegate, and without undue regard to the interests, of any Related Person and will act in a manner designed to facilitate the performance by the Panel of its duties under the SEC.

Members may propose another natural person to act as their Alternate by completing the necessary paperwork and notifying SECAS. The alternate, once approved, may attend the SSC and must act in the capacity as alternate to discharge the member's duties. The alternate must complete the declaration as described in SEC C3.8 (a) and (c) prior to voting.

The membership of the SSC shall be composed of the persons outlined in SEC Section G7.3.

### **3.7 Term of Office**

The SSC Chair will review membership of the Sub-Committee on a two yearly basis, inviting applications from individuals in accordance with SEC Section C6.7. The normal term of office for each member is 24 months. For the first term of office half the membership will serve a 12 month term.

### **3.8 Other Interested Parties**

In addition to the core SSC members, the SSC Chair is entitled to invite any persons the SSC determines it appropriate to do so. Such persons may include representatives of a SEC Party who are invited to discuss their User Security Assessment Report and response, and any such persons who will be able to provide the SSC with expert advice on security matters.

Representatives of the Secretary of State and the Authority are entitled to attend and speak at the SSC meetings and will be provided with copies of all agendas and supporting papers.

### **3.9 Member Confirmation**

Before a person may serve on the SSC, that person shall provide written confirmation to SECCo that:

- They agree to serve on the SSC in accordance with the SEC, including Section G7; and
- They will be available as reasonably required by the Sub-Committee to attend meetings and undertake work outside of the meetings.

### **3.10 Conflict of Interest**

Given that members have a duty to act independently, conflicts of interest should not regularly arise. In such cases the member shall absent themselves from the meeting for the purposes of that decision. It is the responsibility of each Member to declare to the SSC Chair any actual or perceived conflict of interest with their duties as an SSC Member. In such circumstances the Member may choose to absent themselves from proceedings or from voting, the SSC Chair may also request that a Member absents themselves. Any decision of the SSC Chair in this regard shall be final and binding.

#### 4. Deliverables

The SSC will be expected to provide recommendations to the SEC Panel regarding the duties listed.

The SSC will be expected to conduct business in accordance with good governance.

#### 5. Membership of the SSC

The table below sets out the composition of the SSC, pursuant to section G7. Members must have sufficient experience, qualification and expertise. The initial membership will also consider attendance and contribution to the effectiveness of DECC's Transitional Security Expert Group, such that the SSC can benefit from consistency and knowledge transfer from its associated groups.

Member Group	Numbers
Large Suppliers	6
Small Suppliers	2
Gas Networks	1
Electricity Networks	1
Other	1
Shared Resource Providers	1
DCC Representative	1

Representatives of the Secretary of State and the Authority shall be invited to attend each and every SSC meeting. The SSC Chair is able to invite any persons that the SSC determines is appropriate as determined in Section 3.8.

#### 6. Secretariat

SECAS will provide the secretariat and code administration for the SSC. This includes but is not limited to:

- Prepare and maintain the SSC Member Pack (code of conduct and expenses policy);
- Timetable and organise the SSC meetings, including meeting rooms;
- Act as quality gatekeeper with the Chair for accepting papers;
- Circulate agendas and papers for consideration at SSC meetings, 5 Working Days in advance of that meeting date;
- Monitor the quorum prior to meetings to ensure that decision matters are not frustrated or deferred;
- Circulate minutes of the meeting five working days after the meeting for the SSC's approval;
- Administer the circulation list for SSC papers and Minutes;
- Manage the SSC decisions, actions and risks log;
- Manage the SSC section of the SEC website; and

- Support the operation of the SSC and the fulfilment of its duties through:
  - Co-ordination, and where directed by the SSC undertaking, all inputs, analyses, assessments and consultations required to support the SSC business;
  - Preparation of the draft SSC input to the Panel's annual report (July) SEC 2.3(h) for the SSC's approval; and
  - The co-ordination of the SSC's role in the SEC Modifications Process through the relevant SECAS Modification lead(s) to ensure a holistic and efficient process exists between the SSC and the Change Board.

## 7. Confidentiality and Disclosure

Given the sensitive nature of the work of the SSC, agenda items, papers and discussions will be assigned an information sharing level of either WHITE, GREEN, AMBER or RED.

Information sharing levels will be suggested by participants when providing information, and determined by the Chair. The following classifications will be used:

Classification	
SSC RED	<p>Non-disclosable information and restricted to participants present at the meeting themselves only. Participants must not disseminate the information outside of the meeting. RED information may only be discussed during a meeting where all participants present have signed a declaration form, stating their acceptance to abide by these ToR. RED information should not be discussed with anyone who is not present at the meeting in which the information is discussed.</p> <p>Agenda items marked as RED will be discussed in a closed, confidential session and discussions will only be included in minutes marked as RED.</p>
SSC AMBER	<p>Limited disclosure and restricted to SSC Members and those who have a need to know in order to take action. SSC Members representing a Party Category may share the information with other organisations within that Party Category.</p> <p>Where information is deemed to be relevant to organisations who are not represented at the SSC, the SSC Chair may direct that the Code Administrator provide this information to a wider group of SMIP stakeholders.</p> <p>Agenda items marked as AMBER will be discussed in a closed, confidential session and discussions will only be included in the confidential minutes.</p>
SSC GREEN	<p>Information can be shared with other SEC Parties and SMIP stakeholders<sup>1</sup> at large, but not published (including publication online). "Green" will be the default classification for any discussions unless otherwise notified.</p> <p>Agenda items marked as GREEN will be included in the non-confidential minutes.</p>
SSC WHITE	<p>Information that is for public, unrestricted dissemination, publication, web-posting or broadcast. Any member may publish the information, subject to copyright.</p>

<sup>1</sup> For example: device manufacturers, smart metering network security, information assurance or Critical National Infrastructure (CNI) community.

	Agenda items marked as WHITE will be included in the non-confidential minutes.
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As a SSC Member, each participant will be asked to undertake in writing to abide by the confidentiality and disclosure provisions in relation to each information sharing level as described above, by signing the Confidentiality and Disclosure Agreement at Appendix A to these Terms of Reference.

Individuals who the SSC Chair has invited to attend a meeting of the SSC will also be asked to sign the Confidentiality and Disclosure Agreement but will only be permitted to attend the SSC during discussions on agenda items relevant to their organisation.

SSC Members who breach the rules of the confidentiality and disclosure provisions under any information sharing level may have their SSC membership ceased.

## **8. Review**

The Terms of Reference, membership and operation of the SSC may be reviewed by the Chair at any time to ensure that they remain appropriate to reflect the duties and requirements of the SEC.

Amendments to these Terms of Reference will be approved solely by the SEC Panel.

## Appendix A– Confidentiality and Disclosure Agreement

I, the undersigned, have read and understood the Security Sub-Committee Terms of Reference.

I understand that I am required to comply with the confidentiality and disclosure obligations in respect of each of the four information sharing levels (SSC white, SSC green, SSC amber and SSC red), as set out in the Terms of Reference.

I understand that I must declare any conflict of interest that I have in writing to the SSC Chair whether it exists now or during my continued membership of the group, as soon as I become aware that such a conflict exists.

I understand that should I fail to abide by the information sharing levels confidentiality and disclosure obligations or conflict arrangements (as set out in the Security Sub-Committee Terms of Reference) I may be excluded from the Security Sub-Committee.

Having understood and accepted the above statements, I therefore agree to abide by the Terms of Reference in my engagement with this group.

Name:

SEC Party Category:

Primary/Alternative Participant (delete as appropriate)

Signature:

Date:

SSC Terms of Reference v2.0  
Dated: 15/01/2016