



# UKRN annual report and multi-year workplan

March 2021



## Foreword – UKRN CEO, Jonathan Brearley



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Welcome to the UKRN's annual report and multi-year workplan. The past year has once again been a very successful one for UKRN during an incredibly challenging time for everybody.

When we penned the 2020/21 plan we could have never imagined that almost 12 months on we would still be undertaking the majority of our engagement with members and key stakeholders via the virtual platform route, but here we are!

As with many organisations, we have adapted well and delivered strongly in this environment.

I take up the post of CEO at a very exciting time for UKRN. Not only are we just to about to embark on our move to a 3 year workplan, we are also bringing in a completely new Expert Panel which will bring a fresh perspective and challenge for me and the UKRN Team. I expect UKRN to remain on the front foot by supporting our members as we drive collaboration, effective networking and pro-active sharing of best practice.

Our priorities for the coming year and beyond are highlighted in the following slides. You will see we have stayed close to our core pillars and themes from last year, around vulnerability and infrastructure. With the high expectations of COP26 (Climate Change Conference of the Parties) later in the year and with the formation of our Climate Working Group during 2020, we see an excellent opportunity to play a key role in supporting our members as we drive towards Net Zero as a society.

Delivering UKRN objectives is made possible by the continued commitment of our members to working together to improve outcomes for consumers and the economy. I thank them and look forward to another year of delivering this shared vision.

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The UK Regulators' Network brings member regulators together, for the benefit of consumers and the economy

Working closely with government to develop cross-sector approaches, we drive improvements for better outcomes for consumers





# Our Members

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The UKRN is funded by 13 member fees and staffed by a small central office who are seconded from UKRN regulator members. Members also provide additional resources in the form of staff time allocated to projects, networks and events; meeting rooms; and event venues and support.



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# A look back at the last financial year

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The 2020/21 UKRN work plan set our 3 priorities:

1. **Collaboration on infrastructure and investment**
2. **Using data to support consumers in vulnerable circumstances**
3. **Working better together**

The unprecedented events of the year and the impact of Covid-19 inevitably meant that in line with our members, we needed to re-prioritise in March. Although our strategic priorities did not change, the scope and delivery of our objectives were impacted.

The role of the network groups became even more crucial as the pandemic had a significant impact on the way that households and individuals consume the services our members regulate. The collaborative engagement was critical as industries responded to the pandemic and regulated companies changed how they delivered their services.

The following slides provide a high level overview of our work against each of the priorities and how we have evolved our work plan into a forward looking 3 year plan to take effect from April, 2021.

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Supporting consumers in vulnerable circumstances



Collaboration on Infrastructure and Investment



Working better together



Cross-authority engagement and action on consumer debt regarding Covid19



Climate Working Group established



Moving forward together – Scorecards II



UKRN research on attitudes to using and sharing vulnerability data



UKRN Cost of Capital Report 2020

114

UKRN Network and Governance meetings in 2020



Supported energy and water sector collaboration on PSR data sharing



Engagement extended to include broader industry stakeholders



UKRN Joint Response to CMA PR19 provisional findings



# The impact of UKRN's work

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## Stakeholder engagement

- UKRN have continued to ensure our members are aware of the concerns and priorities of our stakeholders and have made the relevant connections where these did not already exist.
- We have continued to help coordinate and facilitate input into government debates on the future role and effectiveness of regulation and will continue to play a key role in cross-sectoral forums, such as the Consumer Forum, moving forward.

## Member networks

- Our members have continued to face many common organisational challenges and pressures, often with limited budget and resource to meet them all. The UKRN networks have provided a conduit for sharing of knowledge and developing shared approaches for members, playing a part in supporting regulators as they strive for more efficient and effective delivery of their regulatory duties.
- We continue to operate the UKRN networks and training programmes, with a focus on how these work together and evolve to develop skills and improve policy and practice.

## Cost of capital

- [\*The Annual UKRN cost of Capital report\*](#) was published last December and serves as a strong reference point when comparing price control decisions across sectors.
- In addition to this, UKRN members produced a joint response to the [\*CMA's provisional findings on PR19\*](#).
- This work provides members with an avenue to discuss and share knowledge and learning on the CMA appeals process and their respective price control review periods more broadly.

## Engagement with investors

- In September 2020, UKRN held a [\*joint web event with the Global Infrastructure Investor Association \(GIIA\)\*](#) on the role of Regulation in the UK.
- Directors from UKRN members also participated in panels at global infrastructure events in the autumn, discussing the roles of UK Regulators and how they are addressing key challenges such as climate change and the need for investment in UK infrastructure.

## Climate working group

- The creation of the climate working group in June 2020 brought together an engaged network, focused on the consideration of efficient investment in climate change mitigation, a fair transition to Net Zero and informed decision-making by regulators.





# The impact of UKRN's work

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## Impact of Covid on consumer debt

- At the start of Covid, we brought together our members and BEIS to collaborate and coordinate on support and guidance for industry and consumers on debt and affordability issues, arising from the Covid impact.
- This helped make sure measures were put in place to support consumers that need the most help. Part of this involved facilitating coordinated publications and announcements from regulators and government.

## Making better use of data

- We commissioned and published a significant piece of consumer research into attitudes on using and sharing data related to people's vulnerabilities and additional needs.
- This research revealed perceived barriers to recording and sharing such data, and potential ways to overcome these.
- This will help inform our thinking on what might be done to continue to move forward in making better use of vulnerability and needs data to improve outcomes for consumers across sectors.

## Performance scorecards

- UKRN with the FCA, Ofcom, Ofgem, Ofwat and CCW, produced the second iteration of performance scorecards, published in January 2021.
- *[Moving forward together – Scorecards II](#)* the report brought together metrics on the quality of the consumer experience across the finance, energy, water and telecoms sectors. Each regulator also published their own scorecard template, plus links to more detailed analysis, on their websites.



# Key Achievements for 2020/21 – collaboration on infrastructure and investment

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## Events

- UKRN Climate Working Group set up (Jun 2020)
- Internal UKRN presentations on Climate Change (Jul-Nov 2020)
- UKRN and Global Infrastructure Investor Association event on future infrastructure investment (Sep 2020)
- UKRN and Whitehall & Industry Group event on Net Zero Innovation (Sep 2020)
- 6th Carbon Budget briefing by Climate Change Committee (Dec 2020)

## Publications

- [Literature review on impact of the UK regulatory model](#) on competition, consumers, investment and innovation (Sep 2020)
- [Annual Cost of Capital summary report](#) (Dec 2020)

## Other

- Convened briefing with the National Infrastructure Commission (NIC) and regulators ahead of the NIC resilience study (May 2020)
- Engagement with Digital Framework Task Group (DFTG) and Geo-spatial Commission on behalf of members regarding the digital mapping of infrastructure assets. (May 2020 and Jan 2021)
- UKRN members speak at Super Return Global Infrastructure Conference: Jamie Tunnicliffe, Ofwat/Ofgem Paul Smith, CAA (Oct 2020)
- UKRN CEO and member speak at PEI Asia Summit: Rachel Fletcher, UKRN and Ofwat, Will Godfrey Ofcom (Dec 2020)



# Key Achievements for 2020/21 – supporting consumers in vulnerable circumstances

## Events

- Consumer Directors' Working Group (UKRN members and BEIS) set up to coordinate on support and guidance during initial impact of Covid (Mar/Apr 2020)
- Consumer Minister, Paul Scully, attended the Heads of UKRN members meeting to discuss consumer debt issues (Jun 2020)
- Launch event and panel discussion on UKRN's research into attitudes on using and sharing vulnerability and needs data (Nov 2020)
- Presentations to Cabinet Office Debt Fairness Group (Jan 2021) and Collaboration Network (Feb 2021) on UKRN research into data attitudes

## Publications

- Summary of [\*regulators' responses to Covid and advice for consumers and industry\*](#) (Apr 2020)
- [\*Advice for people struggling to pay essential bills because of Covid\*](#) (Sep 2020)
- [\*Literature Review on Identifying Vulnerable Consumers\*](#) (Sep 2020)
- Guide with [\*Tips for Identifying Consumers in Vulnerable Circumstances\*](#) (Sep 2020)
- Consumer research into [\*Attitudes on using and sharing Vulnerability and Needs Data\*](#) (Nov 2020)
- [\*Collaboration Network Journal article\*](#) on UKRN and its research into Attitudes towards use and sharing of vulnerability and needs data (Jan 2021)

## Other

- Facilitated engagement with consumer representative organisation on Covid response planning (Mar to Sep 2020)
- Supported energy and water sector collaboration on Priority Services Register data sharing across these sectors (Apr to Jul 2020)
- Facilitated engagement between members and the Cabinet Office's Disability Unit that is developing the National Strategy for Disabled People (Sep 2020 to Mar 2021)

## Events

- UKRN Networks have continued to run effectively through virtual meetings - delivering knowledge sharing, and also contributing to UKRN led initiatives.

## Publications

- [UKRN Joint Response to CMA PR19 provisional findings](#) Following the CMA's decision regarding Ofwat's PR19 price review (Oct 2020)
- [Performance Scorecards II](#) – sector performance measured across key consumer metrics (Jan 2021)

## Other

- Ongoing participation in BEIS's Consumer Forum and Consumer Forum Working Group
- Appointment of next Expert Panel
- Ongoing working level engagement with the BEIS Consumer Policy team, the Better Regulation Executive, Regulatory Horizons Council and the Smart Data Function.
- Regular engagement with various HM Treasury (HMT) teams.
- Engagement with the Centre for Digital Built Britain (CDBB) on the plans for a Digital Twin, supporting the development of their information management framework.

# 2021/22 UKRN multi-year workplan

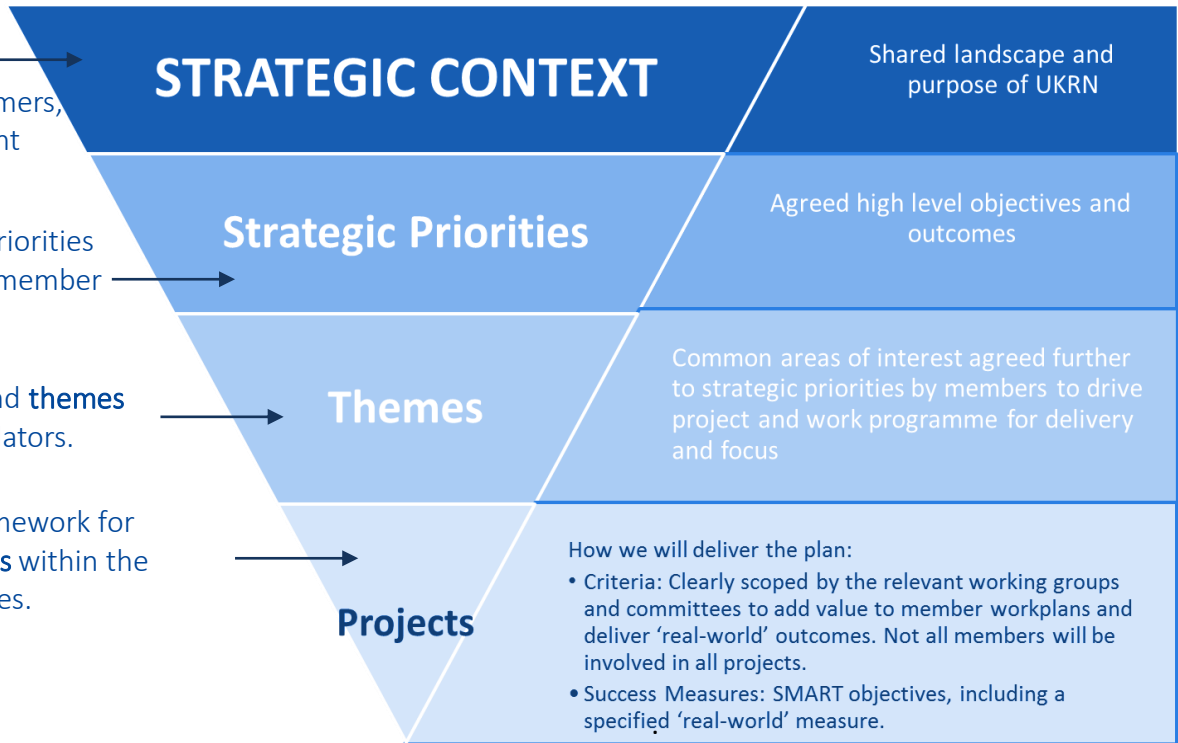
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# UK Regulators Network Multi-year Workplan 2021-2024

Our multi-year workplan means we can look further ahead to manage cross cutting workstreams alongside reactive work in a strategic way. This rolling workplan will evolve over time and respond to changes in the external environment and members' developing objectives, priorities and resource constraints.

- The environment continues to be challenging for consumers, regulators, government and the economy.
- We will build on the priorities and objectives of the member organisations.
- The plan is built around **themes** identified by the regulators.
- Themes provide a framework for identifying key **projects** within the three strategic priorities.



Projects sit alongside BAU and reactive work, such as responses to government.

Projects will be spread over the three year period and driven by the working groups with oversight from the CEOs and senior member representatives.

Our newly appointed **Expert Panel** will provide advice and challenge to enhance the quality of our outcomes.

## Strategic Priority 1; Improving outcomes for consumers in vulnerable circumstances or with additional needs

- Support improved consumer experience with affordability issues and problem debt
  - Promote inclusion for consumers with limited digital access/low digital competence
  - Encourage the use of, and innovation in, data to improve vulnerable consumer outcomes
  - Understand the changing needs and behaviours of consumers and what this means for regulatory best practice
  - Support improved consumer access to, and understanding of suitable products and services
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## Strategic Priority 1; Improving outcomes for consumers in vulnerable circumstances or with additional needs

- UKRN will continue to coordinate with our members, BEIS and other relevant government agencies to help raise awareness of debt support available for people that need additional support in the wake of Covid.
  - UKRN will facilitate the sharing of lessons learned and best practice approaches to regulation in response to the impact of Covid on consumers that need additional support (such as debt and affordability issues as well as other impacts). This will drive more informed thinking and improved regulatory practice across our members.
  - UKRN will facilitate information and best practice sharing on regulatory approaches or requirements on how firms record and use information about consumers with additional needs and to encourage collaboration on the responsible use and sharing of data.
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## Strategic Priority 2; Adapting our regulatory approach where appropriate to support the innovation and investment necessary for economic recovery, resilience and growth

- Evolving regulation to promote sustainable economic recovery and growth as we proceed towards Net Zero
  - Enabling climate change mitigation and adaptation responses that are consumer conscious
  - Encouraging investment in UK infrastructure as attractive and balanced meeting both business and consumer needs
  - Enhancing sector resilience (operational and prudential) and mitigate impact of potential firm-failures
  - Facilitating cross-sector innovation through the appropriate use of data and emerging technologies
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## Strategic Priority 2; Adapting our regulatory approach where appropriate to support the innovation and investment necessary for economic recovery, resilience and growth

- UKRN will facilitate targeted platforms in an environment for collaboration and shared learning throughout the year, driving towards the practical delivery of identified annual reports cementing these learnings, examples of these reports to include;
    - Annual UKRN Climate Working Group report
    - Annual Cost of Capital report
    - Annual UKRN investment report
    - Impact of Covid on infrastructure report
  - UKRN will explore cross-sector financial resilience of regulated sectors and share best practice and joint learning
  - Covid review phased across 3 year plan, to reflect the stages of the pandemic. Phase 1; impact of pandemic and Phase 2; regeneration post pandemic
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## Strategic Priority 3; Strengthening joint regulatory capabilities to meet shared current and future challenges

- Support relationships between government, members and key stakeholders, ensuring interactions work well
  - Demonstrate regulatory good practice and collaboration in driving good corporate culture/purpose among regulated entities
  - Champion diversity and inclusion within regulators and regulated firms to drive improved outcomes and enhance legitimacy
  - Exploring regulatory good practice and collaboration in influencing strategic issues that may extend beyond the regulatory perimeter
  - Using our joint experience & shared knowledge to support more efficient & effective regulation
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## Strategic Priority 3; Strengthening joint regulatory capabilities to meet shared current and future challenges

- Through the NED (Non-Executive Directors) Diversity Scheme UKRN will facilitate a pipeline for aspiring NEDs from diverse backgrounds, to gain skills and experience needed to apply for NED roles.
  - UKRN will facilitate a smooth flow of emerging consumer intelligence, directly to the regulatory network members, in order to support their drive towards Net Zero.
  - UKRN will identify and collaborate with strategic stakeholders to deliver events that engage our network and are aligned with members priorities, for example; a D&I (Diversity and Inclusion) event to enable shared learning of experiences and best practice within regulators.
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# Timeline

Priority	Q1 (April – June)	Q2 (July – September)	Q3 (October – December)	Q4 (January – March 2022)
Vulnerable consumers	Raise awareness of consumer debt support	Potential follow up work on support consumer debt and affordability issues		
	Sharing lessons learned and best practice regulation post Covid	Potential follow up work on changing consumer needs and behaviours		
	Collaboration on best practice data recording and the responsible sharing of data			
Innovation & Investment	Explore cross-sector financial resilience and monitoring		Annual UKRN CWG Report	
	Report on impacts of Covid on infrastructure investment	Creation of new Annual UKRN Investment report		
	Addressing Net Zero			
Strengthening capabilities	NED Diversity Scheme			
	Net Zero consumer focus research			