UR Consultation –
Publication of the Compliance and Enforcement Annual Report

Comments from NIE Networks

8 September 2026

NIE Networks welcomes the opportunity to comment on the Utility Regulator's (UR) consultation paper.

As an overarching comment on this consultation, we are generally supportive of the UR's reporting proposal because it is broadly consistent with established regulatory practice, including Ofgem's publication of enforcement and compliance information. However, routine monitoring and Statement of Licence Compliance (SoLC) data should remain anonymised and aggregated by licence type because, unlike formal enforcement cases, these matters do not necessarily involve a proven breach and therefore require appropriate procedural safeguards.

Otherwise, our responses to the questions posed in the consultation are as follows.

Consultation questions and our responses

1) Do you agree with our proposed compliance data providing detail of both our routine and annual compliance monitoring?

We agree.

The inclusion of both routine compliance monitoring data and annual SoLC findings provides a more complete and balanced picture of compliance performance across the regulated sectors. Routine monitoring reflects ongoing engagement and issue identification throughout the year, while the SoLC process provides a formal annual assurance mechanism. Publishing both datasets should help stakeholders understand how compliance issues are identified, managed and resolved over time.

However, the report should clearly explain:

- the distinction between a "potential compliance issue" and an actual licence breach;
- where there is an actual licence breach, the materiality of the breach should be noted[1];
- that identification of a potential issue may demonstrate effective internal controls (i.e. controls that led to the identification of a breach and that remedial action was or is needed) rather than poor compliance performance;
- the extent to which issues were self-reported by licensees; and
- whether issues were subsequently resolved without enforcement action.

Without this context, readers may incorrectly equate the volume of potential compliance issues with the severity of non-compliance.

[1] For example, minor or immaterial breaches should be labelled as such. In addition, if there are several examples of breaches occurring for the same underlying reason, the UR should consider aggregating and reporting these as one breach (perhaps with accompanying narrative to explain the breach occurred on multiple occasions).

It may also be useful to include year-on-year trends once sufficient historical data becomes available, enabling stakeholders to assess whether compliance outcomes are improving.

2) To what extent would it be necessary or desirable to have the published data anonymised / pseudonymised?

A risk-based approach should be adopted.

For routine monitoring and SoLC reporting, anonymisation or pseudonymisation is appropriate and desirable where:

- no formal breach determination has been made;
- publication could unfairly damage reputation;
- information relates to ongoing compliance assessments; or
- publication could reveal commercially sensitive information.

The proposed approach of publishing aggregated information while preserving transparency appears proportionate.

Where enforcement action has reached a stage that UR's Enforcement Procedure permits publication, named disclosure should continue in accordance with established regulatory processes, as transparency and accountability are important elements of an effective regulatory framework.

A useful principle could be: "Anonymous until formal enforcement publication thresholds have been reached."

This protects due process while maintaining confidence in regulatory reporting.

3) To what extent do you agree with our proposal to include relevant detail by licence type to ensure the data remains of value to the reader.

We agree.

Data broken down by licence type is likely to be more valuable than wholly aggregated reporting.

Different licence categories are subject to different obligations, operational risks and customer impacts. Publishing information by licence type will:

- improve the usefulness of the report;
- enable stakeholders to understand sector-specific trends;
- support industry learning;
- avoid misleading comparisons between very different licensee groups; and
- help identify areas where additional regulatory guidance may be beneficial.

However, care should be taken in areas where there are very small numbers of licensees. In such cases, publication of highly granular statistics could effectively identify specific companies despite formal anonymisation.

The report should therefore retain flexibility to aggregate categories where disclosure risks arise.

4) Should information about cases closed at the Initial Enquiry Stage through and alternative resolution also be published in our Compliance and Enforcement Annual Report?

Yes, but in a proportionate and carefully contextualised manner.

Including such cases would provide a fuller picture of compliance and enforcement activity and demonstrate that the UR uses a range of regulatory tools rather than relying solely on formal enforcement action.

Publication could:

- improve transparency;
- encourage good compliance behaviours;
- provide useful lessons for other licensees;
- demonstrate proportionate regulation; and
- show how consumer harm has been mitigated without requiring formal enforcement action.

However, the report should clearly distinguish between:

- cases where there was no case to answer;
- minor issues resolved promptly;
- alternative resolution outcomes; and
- formal enforcement findings.

The report should also clearly state that alternative resolution does not constitute a formal regulatory finding unless such a finding has been made through the enforcement process.

This distinction is important to avoid creating unintended reputational consequences for licensees.

5) Do you have any additional comments on the proposed annual report in relation to how the publication of the proposed information is in the interests of consumers?

The proposed report is likely to benefit consumers by increasing transparency regarding how the UR monitors compliance and addresses potential non-compliance. Consumers and stakeholders will gain greater visibility of regulatory activity and assurance that companies are being held accountable.

To maximise consumer value, consideration should be given to including:

- a short, concise Executive Summary with key messages and takeaways;
- key consumer-focused themes observed during the year;
- examples of improvements made by licensees following audits or compliance interventions;
- summaries of lessons learned;
- explanations of how regulatory activity reduced consumer risk or harm; and
- clear, accessible infographics and plain-English explanations.

The report should focus not only on compliance activity undertaken, but also on outcomes achieved for consumers.

It may also be useful to include:

- commentary on emerging compliance risks;
- common root causes identified across sectors; and
- planned regulatory responses.

This would make the report a more valuable tool for continuous industry improvement.

6) Do you agree that where this document has an impact on the groups listed, those impacts are likely to be positive in relation to equality of opportunity for consumers?

We agree.

The proposals appear likely to have a positive or neutral impact on equality of opportunity.

Improved transparency regarding regulatory oversight should benefit all consumer groups by increasing confidence in regulated markets and helping ensure that companies meet their obligations.

Vulnerable consumers may indirectly benefit where increased regulatory scrutiny leads to improvements in customer service, complaint handling, accessibility arrangements, support for customers in vulnerable circumstances and compliance with consumer protection obligations.

To support equality objectives further, the report should:

- use plain language;
- include accessible formats;
- apply Plain Numbers principles as proposed; and
- present information in ways that are understandable for non-technical audiences.

No significant adverse equality impacts are apparent from the proposals as drafted.