GNI (UK)’s response to the Consultation on the Publication of Utility Regulator’s Compliance and Enforcement Annual Report

08 September 2026



1. Introduction

GNI (UK) Limited ("GNI (UK)") welcomes the opportunity to respond to the Consultation on the Publication of Utility Regulator's Compliance and Enforcement Annual Report and look forward to further engagement with UR in advance of any final decision being published.

We broadly support the proposed compliance reporting approach as it improves transparency, accountability, and understanding of compliance performance across regulated sectors. We support reporting Annual Statement of Licence Compliance (SoLC) findings by licence type rather than ownership, provided information is anonymised or pseudonymised where appropriate.

This approach is consistent with the Utility Regulator's existing reporting framework, helps protect against reputational harm where no formal finding of non-compliance has been made, and maintains confidence in the regulatory process. Reporting by licence type will also provide stakeholders with better insight into sector-specific compliance trends, while care should be taken to avoid identifying individual licensees in smaller market segments.

We believe anonymisation is particularly important for minor administrative issues that do not result in consumer detriment. Overall, the proposals strike an appropriate balance between transparency, consumer interest, proportionality, and confidentiality.

Please see GNI (UK)'s response below, we would welcome the opportunity to discuss any aspect of our response.

2. GNI (UK)'s response

Question 1. Do you agree with our proposed compliance data providing detail of both our routine and annual compliance monitoring? Please provide clear reasoning and examples where possible, evidencing the impact of your views.

Response

Yes, we broadly agree with the proposed compliance data reporting approach, as it provides a comprehensive overview of compliance performance through both routine monitoring activities and annual compliance assessments. This approach supports the identification of trends over time, enhances transparency, and enables stakeholders to better understand overall levels of compliance within regulated sectors.

Where issues are minor, promptly self-reported, and effectively remediated without material customer or market impact, we do not believe they should be individually identified in a public report. Instead, such matters could be aggregated and reported at a high level to provide transparency regarding overall compliance activity without creating disproportionate reputational consequences.

A materiality-based approach would ensure that the annual report remains focused on matters of genuine regulatory significance, provides meaningful insight to stakeholders, and supports the principles of proportionality, fairness, and risk-based regulation. It would also encourage openness and constructive engagement between regulated entities and the regulator, including the voluntary disclosure and timely resolution of issues.

We are supportive of the proposal to present an overview of Annual Statement of Licence Compliance (SoLC) findings by licence type rather than by ownership. We propose that individual companies are not identified by name and we understand that the information published within the report will be anonymised or pseudonymised, which we consider appropriate and proportionate given the nature of the information being reported.

This approach is consistent with the Utility Regulator's existing position on external reporting, as set out in Section 2.39 of the Enforcement Policy Framework, which states that information relating to potential compliance issues will be published in an anonymised format. Maintaining consistency with the established framework helps ensure fairness, avoids the risk of reputational impacts where no formal finding of non-compliance has been made, and supports confidence in the regulatory process.

Question 2. To what extent would it be necessary or desirable to have the published data anonymised / pseudonymised? Stakeholders should outline and explain (where applicable) their rationale for the views expressed and include examples where appropriate.

Response

From a consumer perspective, aggregating and anonymising the data does not diminish the value of the information being provided. Consumers benefit from greater transparency regarding compliance trends, areas of regulatory focus, and overall sector performance, while regulated entities are treated fairly through the application of a consistent reporting approach.

Overall, we consider the proposed methodology to strike an appropriate balance between transparency, consumer interest, proportionality, and procedural fairness, and therefore support its inclusion in the Compliance and Enforcement Annual Report.

We believe that published data should, where appropriate, be anonymised or pseudonymised, especially in cases where the compliance issue is purely administrative and has no adverse impact on consumers. An example would be the submission of a report less than a week after the deadline, where the delay arose from the late availability of third-party data needed to complete the report.

Question 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. Stakeholders should outline and explain (where applicable) their rationale for the views expressed and include examples where appropriate.

Response

We agree that reporting by licence type would add significant value to the report. Presenting information by licence type should help stakeholders better understand the compliance challenges and trends that may be specific to different sectors, while still maintaining an appropriate level of confidentiality where necessary.

Care should be taken to ensure that the level of granularity does not inadvertently identify individual licensees, particularly in licence categories where there are only a small number of market participants. In such cases, aggregation of data (e.g. aggregation to 'TSO') may be appropriate.

Overall, reporting by licence type appears to strike a reasonable balance between transparency and confidentiality.

Question 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? Please provide the rationale for your position including how it represents consumer interest.

Response

No. Information about cases closed at the Initial Enquiry Stage through alternative resolution should not be included in the Compliance and Enforcement Annual Report.

The purpose of a Compliance and Enforcement Annual Report is to provide transparency regarding formal regulatory and enforcement activities, including investigations, compliance findings, enforcement actions, and sanctions. Cases resolved at the Initial Enquiry Stage are fundamentally different in nature. They are generally resolved before a determination of non-

compliance is made and often involve clarification, engagement, provision of information, or voluntary resolution without the need for formal regulatory intervention.

Including such cases in the Annual Report risks creating a misleading impression regarding the extent of non-compliance in the sector. As these matters have not progressed to formal investigation or findings, their inclusion could blur the distinction between allegations, enquiries, and established breaches of regulatory obligations. This could undermine the accuracy and clarity of regulatory reporting.

Publishing information on early-stage alternative resolutions may also create incentives for stakeholders to draw inappropriate conclusions from matters that were never subject to a formal assessment of compliance. This could have reputational implications for regulated entities and potentially reduce willingness to engage constructively with regulators to resolve issues quickly and efficiently.

Question 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? If you have any additional comments, please provide clear rationale.

Response

Overall, the proposed annual report should contribute positively to consumer confidence, regulatory transparency, and accountability, and we support its publication.

Care should be taken to ensure that the level of granularity does not inadvertently identify individual licensees, particularly in licence categories where there are only a small number of market participants.

To make the report more useful and easier for consumers to understand, consideration could be given to:

- Address issues and how these actions benefited consumers.
- Using infographics, charts, and summary statistics to present information in a clear and accessible way for a wider audience. Using clear, simple language and avoiding unnecessary technical terms.
- Explaining the main trends and key findings from compliance activities.
- Showing what actions were taken.

Question 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? If you do not agree, please provide your rationale and examples where possible.

Response

Yes, we broadly agree. The proposals relate to the publication of compliance and enforcement information and are intended to improve transparency, accountability and consumer confidence in regulated markets. These outcomes have the potential to benefit all consumer groups equally by providing greater visibility of regulatory activities and ensuring that regulated entities are held to consistent standards.

Improved transparency and accountability may be particularly beneficial for vulnerable consumers, as effective compliance and enforcement can help ensure that consumer protections are applied consistently across the market and that poor practices are identified and addressed.