

UR response to its review of consultation practice

Introduction

1. The Utility Regulator published consultation guidance in 2010.
2. We made a commitment to review how we consult following the mid-term review of our Corporate Strategy in 2011. This commitment was subsequently reflected in our Forward Work Plan 2012-13.
3. As part of the review we developed a discussion paper 'Reviewing our consultation practice'. This paper was the basis of consultation with stakeholders.
4. Our discussion paper sought stakeholder views on 5 areas:
 - a. the general format of our consultation guidance – we suggested that we would consider revising our guidance to make it clearer and more concise;
 - b. consultation process – we indicated that we would continue to provide feedback and consider enhancements to the process – such as setting a timeframe for publishing documentation following consultation;
 - c. engagement – we proposed that revised guidance should pro-actively promote more customised consultation and staff are prompted to consider alternatives to traditional consultation ;
 - d. timing – we proposed retaining time limits for consultation in terms of a long (up to 12 weeks), medium (up to 8 weeks) and short (up to 4 weeks); and
 - e. accessibility – we set out a series of initiatives (e.g. common template) to improve the accessibility of our documents.
5. We present an overview on the comments received on each of the four questions with our response below.

The general format of our consultation guidance

6. There was a general welcome for our review. It was noted that transparency was important for regulators. Respondents variously stated that the guidance should be easy to read and interpret, be simplified but also be as comprehensive and prescriptive as it needs to be.
7. One respondent thought that while the proposals in the discussion paper were 'broadly sensible', our guidance lacked an analysis of consultation practice. It was suggested that we should widen the agenda beyond the issues currently raised in the discussion paper. Others suggested that we should widen the scope of our guidance to require bodies such as regulated entities or the SEM Committee to adopt the consultation good practice.

Consultation process

8. There were several themes emerging from consultees' responses:

- There was particular support for publishing our conclusion/decision within 3 months of the close of consultation;
- Those who commented thought that providing feedback was an important aspect of the process;
- There was also support for publishing a rolling consultation timeline – setting out forthcoming UR consultation exercises; and
- Respondents also suggested we variously consider the use of consumer impact assessments/regulatory impact assessments.

Engagement

9. There was general support for more flexibility of approach and engagement. Respondents particularly supported the use of face-to-face engagement and the use of formats such as workshops. The emphasis on engagement and the targeting of stakeholders for consultation initiatives was endorsed. The Consumer Council particularly urged that we work with it to engage with consumers.

Timing

10. Respondents urged that there be clarity on the timing for consultation exercises. This included clarity of the type of issues that would fall under different categories and why we would choose to adopt a particular time period on a certain issue. One respondent suggested that we adopt the guidelines used by the CEER and, in particular, a minimum of 8 weeks for consultation unless unavoidable.

Accessibility

11. Overall, respondents welcomed our commitment to accessibility. One respondent raised concerns about the current accessibility of UR publications. There was specific support for website accessibility enhancements and some support for a standard consultation template. Two respondents raised some concerns about 'digital by default' consultation. Another respondent suggested that we aspire to a higher level of accessibility in our documentation (ie Plain English and crystal mark standard).

Conclusion

12. We are grateful for the comments of those who responded to our consultation.

13. Our consultation sought comment on specific areas of our consultation practice. Overall, the comments we received were broadly supportive of the proposals regarding our consultation practice.

14. We will set out our response to comments received below. Our response will be structured in terms of:

- (i) those areas that we plan to take forward immediately, and
- (ii) those areas that require further consideration by us.

15. In relation to areas that we plan to take forward immediately:

- a. we will publish a new consultation standard which will concisely reflect our guidance;
- b. this will include proposals that were supported by consultation respondents:
 - i. a commitment to aim to publish conclusions/decisions within 3 months of the close of a consultation;
 - ii. reinforcing the need to provide feedback;
 - iii. a commitment to promote engagement with stakeholders – with practical advice provided to UR staff to positively consider efforts to engage with and target those most affected by major or significant consultations;
 - iv. a commitment to timing standards for consultation – with an explanation and example for where we will apply certain timing standards to certain types of consultation;
 - v. we will reinforce a commitment to accessibility and will practically develop a template for all UR documents with common elements to reinforce accessibility – executive summary, abstract and glossary
- c. we will develop a ‘consultation zone’ on our website where we will publish:
 - i. our consultation standard;
 - ii. an ongoing consultation forward look which will provide information on forthcoming consultations;
 - iii. provide a repository for live and closed consultations; and
 - iv. we will undertake a review of our website which will include consideration of how best to optimise this communications channels for consultations.

16. In relation to those areas that require further consideration by us:

- a. we will pro-actively engage with CCNI in respect of the most appropriate ways of engaging with consumers;
- b. we will consider appropriate and proportionate approaches to impact assessment in our consultation documentation and seek to reflect this in our UR template document;
- c. while we are not persuaded of the need to enforce a requirement on licence holders regarding consultation practice we will encourage the adoption of good consultation practice through the dissemination of our standard (and will include the SEMC among those bodies that will be advised of our approach);
- d. we will review the operation of our consultation practice against our standard.