
UK Regulators' Network Workplan 2023



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CEO's Foreword

Chris Hemsley, UKRN CEO and Managing Director of the Payment Systems Regulator (PSR)



At the UKRN our mission is excellence through collaboration. We exist to make collaboration happen across our regulator members. We also coordinate joint action on shared objectives and engage on behalf of our members to help deliver these. We also act to promote understanding and thought leadership of what effective regulation should be now and in the future.

I am very pleased to have this opportunity to be UKRN's CEO. Jonathan Brearley has done a great job over the last 18 months which has seen the UKRN support the regulatory community through the challenges of the Covid-19 pandemic.

Against this background of significant change, the UKRN's three-year workplan and three strategic priorities remain as relevant as ever. They remain the basis for this final year of our Workplan – Workplan 2023.

I strongly endorse the outcomes from the UKRN's internal governance review in 2022, which is allowing us to improve our effectiveness. It also reemphasised that UKRN adds the most value by focusing on those things only the UKRN can do. In practice this means delivering our shared objectives whenever possible by working in collaboration with, and influencing external partners, working in partnership and being prepared to take bold decisions to re-focus our work if circumstances change and better opportunities arise.

My vision is of an agile and informed UKRN team that brings our members together to deliver much more than a sum of its parts.

As well as dealing with today's challenges, we must get ahead of the curve. UKRN is uniquely placed to help regulators and government, by promoting thought leadership and enabling connectivity. This will help our regulatory system to learn and adapt for the future. This means building on the collaboration which is in the DNA of the UKRN. Regulation has always been an important driver of economic growth and can support innovation. It is also a key way that we will rise to the challenge of delivering a net zero transition, that best protects consumers while bringing economic growth.

That is why Workplan 2023 sets out commitments to scope the UKRN's future role on innovation and the 'future of regulation', and a steadfast focus on supporting our members to protect vulnerable consumers and address the challenges of the net zero transition. All the while, we will deliver a step-change of our engagement within and on behalf of UKRN as set out in the associated engagement strategy.

These themes are at the heart of our thinking as we engage members and key partners to shape, develop and agree our next multi-year Business Plan over the rest of the year.

Only by working closely together – and in close partnership with government and key stakeholders – will we be able to get ahead of the curve and succeed.

Section 1: Introduction

The UKRN's *Workplan 2023* sets-out our approach for the last year of our three-year workplan. We highlight what we plan to deliver to achieve *excellence through collaboration*. Our intention is that the main document and supporting document explains our planned work over 2023 to our members and relevant stakeholders.

In coming to the end of our first multi-year workplan we build on our *Annual Review 2022*¹ to consider the extent to which we have done what we said we would. This is to ensure that – in setting the path for the final year – we explain how we have re-prioritised and changed focus, and why. Our guiding principle is that UKRN should focus on those things only the UKRN can do, in order to get the most from our limited resources.

The core strategic priorities in our three-year workplan, set out in 2021, are:

1. Improving outcomes for consumers in vulnerable circumstances or with additional needs;
2. Adapting our regulatory approach where appropriate to support the innovation and investment necessary for economic recovery, resilience and growth; and
3. Strengthening joint regulatory capabilities to meet shared current and future challenges.

Although these were developed during the Covid pandemic and before the war in Ukraine, they have remained relevant and have been delivered against, although how we have delivered has evolved through our yearly plans.

This evolution has been guided by a review in 2022 of UKRN's governance structure and purpose in response to those external challenges. Although our governance review was internally focused, the separate document² is relevant as it sets the context for the final year of our workplan, and our preparations for our next multi-year Business Plan.

In **Section 2** we review some of the key themes that we are facing as we move into 2023, and set out how we will respond through 2023, through our Network activities and new areas of scoping work. This shows how our response aligns with our strategic priorities and best adds-value over the final year of our workplan.

Section 3 sets-out how we plan to develop our next multi-year Business Plan, which will start in 2024.

In parallel to *Workplan 2023* we have also published the following documents that:

- [Provide high level summaries, provided by the Network Chairs, which gives the key areas of focus for each network through 2023;](#)
- [Provide a high-level summary of UKRN governance;](#)
- [Set-out the UKRN engagement and outreach programme for 2023.](#)

¹ https://ukrn.org.uk/app/uploads/2023/03/annual-report_Master_v5-1.pdf

² <https://sway.office.com/jLFXCHinQADuLYT5?ref=Link>

Section 2: Key themes and our response

To make sure that *Workplan 2023* is focussed on areas of most relevance to our members, we have considered the key themes across our regulatory scope at this time. The themes identified below are not exhaustive, but we believe are those of most relevant to the UKRN's collaborative work. For each of these themes, we have set out our current approach.

We have shown flexibility in how we deliver our work, which we will continue through adapting how we deliver *Workplan 2023* in response to new challenges, threats, and opportunities over the year. We will achieve this through a combination of collaboration with member organisations, and continual horizon scanning to identify issues early to best deliver our strategic priorities and to deal dynamically with any new challenges. To that end we also outline in this section **new areas** of work we plan to scope in advance of our next multi-year Business Plan 2024+.

Further to the information presented here, comprehensive information on our Networks can be found in the associated Network Review document³, where each of our Network Chairs has set-out what they will be working on over the next year. Given our members consistently tell us the main value they get from UKRN is through collaborating and sharing through our work, our Networks remain the core focus of UKRN's activities through *Workplan 2023*.

Cost-of-living

Adapting to meet the challenge of the cost-of-living crisis has impacted the work of many of our Networks over the last year. Our Annual Review 2022⁴ sets out how we reacted to this challenge. We are expecting that this work will continue through 2023 as consumers continue to face historic high costs of regulated services, and an income squeeze.

Through our Vulnerability Network and wider engagement with FCA and Citizens Advice, our work will continue to be focused on alleviating the impacts of the cost-of-living crisis. Through the FCA-led working group, we will continue to work together to ensure consistency for consumers across sectors.

Net zero transition

The net zero transition is a key focus not just for our Climate Change Network, but as a cross-cutting issue it is very important for our broader work, including for vulnerable consumers.

Priorities of the Climate Change Network

The UKRN's Climate Change Network also has two priority areas of focus:

1. Continuing to share and exchange net zero best practice across regulators, prompting a whole-system approach, when appropriate;

³ <https://sway.office.com/SylawR2bvp32zyWZ?ref=Link>

⁴ https://ukrn.org.uk/app/uploads/2023/03/annual-report_Master_v5-1.pdf

2. Exploring, and, if applicable, supporting, the development of coherent metrics, standards and baselines for measuring progress towards net zero for regulators and, if applicable, those in the sectors we regulate.

To support these priorities, the Climate Change Network engages beyond the UKRN to bring-in expertise, and we have set-up sub-groups to look at net zero costs and investment needs, and to support internal environment managers.

Exploring the implications of the net zero transition for vulnerable consumers

Over the next year joint work between the Vulnerability Network and Climate Change Network will look to identify the opportunities and risks for vulnerable consumers throughout the net zero transition. The rationale for the transition is well documented; however, the Net Zero Costs & Investment Working Group and Vulnerability Network has recognised that less attention has been focussed on the potential implications the transition may have on those in vulnerable circumstances. A better understanding of these interactions is important to help ensure a just transition. We are engaging externally to draw on the latest evidence and expertise to support this cross-Network endeavour, which will continue through this workplan and into our next multi-year Business Plan.

Working with government and the wider regulatory community on net zero

The ‘Review of Net Zero’⁵ launched by former Energy Minister Chris Skidmore MP, set out a recommendation for:

“Government to establish a new forum to coordinate across all regulators on the signals they are sending to businesses and investors across sectors about the net zero transition – including Ofwat, Ofgem, HSE, Environment Agency, Competition and Markets Authority, FCA, and the North Sea Transition Authority.”

The government’s ‘Responding to the Independent Review of Net Zero’s Recommendations’⁶ states in response:

“To deliver this recommendation, the Government will work with the UK Regulators’ Network (UKRN) to ensure this new forum builds on and works in conjunction with existing networks. Together we will explore and test the best way to expand regulator engagement beyond their established cross-regulator Climate Change Network membership. We aim to include those referenced in the recommendation, as well as additional net zero enabling regulators and key government contacts. We are developing the scope, remit, and ambition of this forum and expect to confirm a detailed proposal by Summer 2023.”

Government’s commitment to work with UKRN is also reflected in ‘Powering Up Britain: The Net Zero Growth Plan’⁷ *“Committing to confirming proposals for the form and governance of this forum by Summer 2023.”*

The UKRN is committed to working with government to explore how this forum will be developed.

⁵ [Review of Net Zero - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

⁶ [Responding to the Independent Review of Net Zero’s Recommendations \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

⁷ [Powering Up Britain - The Net Zero Growth Plan \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

Promoting economic growth and the government's review of economic regulation

As announced at the end of January 2022, the government is reviewing the duties of some of our members with regards to regulation of the energy, water and telecoms sectors. This work is now expected to be completed in 2023.⁸ Government's focus includes regulators' duties, enhancing competition and innovation, how respective regulatory appeals processes work, how to encourage greater investment and how to enhance the consumer experience in these sectors.

The immediate scope of the formal review is energy, water and telecoms, but the challenges that are driving this work which include promoting economic growth cut-across the wider regulatory community. These are challenges we are seeking to address through the UKRN's revised purpose in *championing effective regulation*. The UKRN will be working with our members and government to ensure that broader thinking on regulatory reform is best informed by the experience of our regulators, regulatory benchmarking and assessment where appropriate, and best regulatory practice.

Risk and resilience

The Covid pandemic and the cost-of-living crisis has made it necessary for the UKRN and its members to adapt. Resilience is also an area that has been recently reported on by the government.⁹

The impact of Covid has led to several areas that we will be looking at for our next multi-year plan, including use of risk analysis and risk assessment tools to share and develop best risk management practice amongst UKRN members.

Financial resilience of specific regulated sectors is covered by our members and is not part of the UKRN remit – while resilience in the context of climate change, Cyber Security and capacity/capability is covered by existing Network activities.

Recruitment and retention

The current labour market has made it challenging for our members to recruit and retain staff. Although regulation makes for an interesting and varied career, we are competing against the private sector with a limited pool of candidates with the requisite skills and capabilities. This challenge is one of the areas that HR Directors Network will be working on with a new resourcing working group, looking at 'Resourcing, recruitment and retention, inclusive recruitment, delivery models, EVP/RPO', and potentially enhancing graduate programs to include apprenticeships and internships.

The D&I Network also supports an inclusive working environment among our members, which in turn supports retention and recruitment.

The UKRN is also helping to build capability of existing staff and to boost retention through cultivating and taking opportunities to best inform others of the role and importance of regulation and independent regulators. This includes working with partners to improve capacity and capability within members and those we work closely with (including government) for example through training and outreach. Our open

⁸ <https://www.gov.uk/government/publications/economic-regulation-policy>

⁹ <https://www.gov.uk/government/publications/the-uk-government-resilience-framework>

sessions on topics such as those on futures training, and the vulnerability academy are examples of this work in practice. We are developing packages of training on regulation practice amongst our members' staff and which can potentially be used within government departments. In addition, we are:

- Running a UKRN summer intern's programme;
- Investigating how we can work with universities to promote regulation and the work of regulators; and,
- Attending and presenting at conferences to raise the profile of UKRN and its members, and to most effectively influence around our priorities. This work is detailed further in our Engagement and Outreach Publication.¹⁰

Focusing the UKRN's limited resources on those things only UKRN can do

Since our multi-year plan was published two new forums for regulators – some of whom are also members of the UKRN – have been created in the Institute of Regulation¹¹ and The Digital Regulation Cooperation Forum (DRCF).¹² We were jointly referenced with the former in the recommendation of the Regulatory Horizon Council (RHC) report 'Closing the gap: getting from principles to practice for innovation friendly regulation':¹³

"The Council welcomes the recent launch of the Institute of Regulation and recommends the Institute and the UK Regulators Network work with regulators, academics, and innovators, where appropriate, to design and provide training resources/courses for regulatory professionals on best practice on regulation and innovation. This should include theoretical and practical elements."

We will continue to engage with both forums to develop an understanding of our coverage, and ensure our activities are complementary, mutually reinforcing and to avoid duplication. In the next sub-section we set out how we seek to address the RHC's recommendation.

Scoping how the UKRN can best enable and support innovation

Linked to the UKRN Strategic Priority 2; Adapting our regulatory approach where appropriate to support the innovation and investment necessary for economic recovery, resilience and growth.

Innovation is at the heart of the work that our members undertake, both in how we regulate innovation and how we use innovation in delivering our work in the future. Innovation was also highlighted as one of our strategic priorities in our 2021 three-year Workplan and we will be working with our members this year to scope out how UKRN can best add-value for our members on innovation in the future.

The starting point for the scoping exercise will be defining innovation in a regulatory context, at a high-level we have broken it down into two distinct areas of interest:

¹⁰ <https://sway.office.com/hZR0wcxAEXG6iMAN?ref=Link>

¹¹ <https://ioregulation.org/>

¹² <https://www.gov.uk/government/collections/the-digital-regulation-cooperation-forum>

¹³ <https://www.gov.uk/government/publications/closing-the-gap-getting-from-principles-to-practice-for-innovation-friendly-regulation>

1. Innovation of regulation – how we can innovate through our regulation practice to improve our effectiveness?
2. Regulation for innovation – how we can enable, facilitate, and support innovation?

The purpose of the scoping is:

- To see if these two areas of interest can be brought together into one Forum, based on a Community of Practice - identifying the appropriate role for regulation in supporting and promoting innovation; and,
- To see if there are unique areas/topics where a UKRN Innovation Forum could best add value. There are several different groups and organisations working with regulators on innovation so we will determine whether there are alternative approaches we should recommend, always with a view that UKRN should focus on those things only we can do.

In some cases, there is a crossover between the two areas of interest, and innovation will cut-across the work of our existing Networks, so it is important that any new initiative is designed to be inclusive of all the different subjects covered. Innovation is also covered in other groups, such as DRCF, and government departments so we will be engaging with them during the scoping process to align and avoid duplication.

Scoping UKRN's role on future of regulation

Linked to Strategic Priority 3; Strengthening joint regulatory capabilities to meet shared current and future challenges

The revised purpose of UKRN includes a focus on championing effective regulation. We work closely with members and government on the regulatory reform / better regulation agenda – taking members' views on government proposals, and engaging government on behalf of our members.

To support our effective engagement with government we also draw from our broader work enabling and promoting collaboration across our Networks and delivering shared objectives. This is what we mean by effective regulation. This enables us to demonstrate that regulators are serious **about driving efficiencies** in their organisations, and how we work to deliver best conduct from regulated sectors across the scope of UKRN members.

To **deepen the influence of UKRN members with government**, we have developed our external engagement forming good relationships with the Better Regulation Executive, HMT, the Regulatory Horizons Council, the Institute for Government, UK In a Changing Europe and the National Infrastructure Commission, for example.

The UKRN works to channel input for members and externals on **'thought-leadership'** on effective regulation, by which we mean what works best in different circumstances, based on the collective steer from our members. Examples have included our joint events with the Whitehall and Industry Group (WIG) on a diverse range of issues such as regulatory enforcement, and regulatory reform.

Drawing on this, UKRN are proposing to **scope-out** work on 'Future of Regulation' for the next multi-year Business Plan. The UKRN office will work with member representatives, through a series of discussions to scope out and assess the value of new Networks or Communities of Practice on two distinct areas:

1. **Compliance** – some Networks have raised this area for working together to share best practice in compliance, to support their work in driving good conduct in regulated sectors. It is envisaged this would be an internal UKRN activity, with the goal of sharing best practice, and in particular context-specific learnings around what compliance approaches work best, where and why. The outcome of this would be to support effective monitoring and compliance programmes, with benefits to regulators and regulated businesses, including those that are seeking the same positive consumer outcomes or testing innovative approaches. This group should be linked to the ‘future regulation’ focus area with regards to policy-cycle-feedback on effective rule-setting.
2. **Future regulation** – this work would assess UKRN’s current and future engagement around thought-leadership on regulatory practice. This includes how we build on, respond and potentially showcase new and innovative regulatory practices (including approaches and tools) such as Outcome Based Collaborative Regulation¹⁴, and RegTech¹⁵. This is important with regards to how regulators can best respond to the multiple challenges they face – with the pace-of-change increasing, and the need to focus and adapt to new risks and challenges, which sometimes cross-sectors and lead to consumer harms that aren’t addressed by existing regulation.

¹⁴ <https://www.theregview.org/2023/01/02/hodges-outcome-based-cooperative-regulation/>

¹⁵ <https://www.fca.org.uk/insight/future-regtech-what-do-firms-really-want>

Section 3: 2024 and beyond – developing UKRN Business Plan 2024+

The UKRN three-year Workplan 2021-2024 set out strategic priorities and referenced in the broadest terms that we were seeking to improve consumer outcomes. In our next multi-year Business Plan we are seeking to articulate more specific and focussed outcomes we are aiming to achieve, so that our actions can then be aligned with these through our annual delivery plans. This may help us be adaptive to circumstances as we can then change our outputs in response, in order to best deliver agreed outcomes.

There is a wide variety of definitions for outputs and outcomes in project and programme management disciplines and wider literature. We can broadly characterise our current approach as defining a set of activities then measuring those through output metrics where we can.

For UKRN to move to a outcomes-based direction setting and measurement is a potentially bold approach. Identifying and measuring outcomes is complex, particularly in situations where the UKRN's impacts are difficult to disaggregate from our members and other stakeholders. It is likely we will need to use proxy measurements and surveys, which can require additional resource. This compels us to move to outcomes which are specific, where we can define a clear role for UKRN, and where we can draw on data that is readily and easily available. This will not be the case for some of our work, so in reality a hybrid outcomes/outputs-based regime will be the most likely approach.

Therefore, our plan for consulting on and developing our next Business Plan is to start with the outcomes we seek to achieve, and where possible to define and refine those outcomes in a way that best fits the role and impact of the UKRN. This will help ensure we are best able to respond to unforeseen challenges and events, by changing what we do in response while maintaining an outcomes-centred focus.

Our approach for Business Plan 2024+

As a member-led organisation, the UKRN should focus on those things only the UKRN can do. From our 2022 governance review we developed four design principles that we will use to collaborate across our regulators:

- Work towards consistency and avoid duplication.
- Take joint action – where needed, that won't necessarily involve all members t as the regulatory champion.
- Encourage innovative use of data.
- Act as the regulatory champion.

By embedding these design principles into how we work, we believe that we will maximise the impact of the work done through our Networks and in the two new areas of work that we will be scoping, detailed earlier in this section.

For the two new work areas we will be scoping-out, we will engage to define UKRN-focussed outcomes related to the impact we hope to have:

1. Promoting innovation in regulators and our sectors

- Outcome(s) could build on the theme that knowledge and understanding of regulation and the role of regulators has been improved.
2. Future of regulation
 - Outcome(s) could build on the theme that UKRN fora will be used by members to inform and support development of new regulatory practice, including compliance to meet multiple challenges including being more responsive and agile.

For our engagement and outreach work, we broadly see the outcome that knowledge and understanding of regulation and the role of regulators has been improved among our target internal and external audiences.

Developing our Business Plan 2024+

In Section 2 we considered the key themes that are relevant across our regulatory scope at this time. To develop our business Plan 2024+ we will continue this process **by engaging with internal and external Stakeholders, and discussion with governance groups.**

The core strategic priorities in our three-year workplan, set out in 2021, will still be relevant – these were:

1. Improving outcomes for consumers in vulnerable circumstances or with additional needs;
2. Adapting our regulatory approach where appropriate to support the innovation and investment necessary for economic recovery, resilience and growth; and
3. Strengthening joint regulatory capabilities to meet shared current and future challenges.

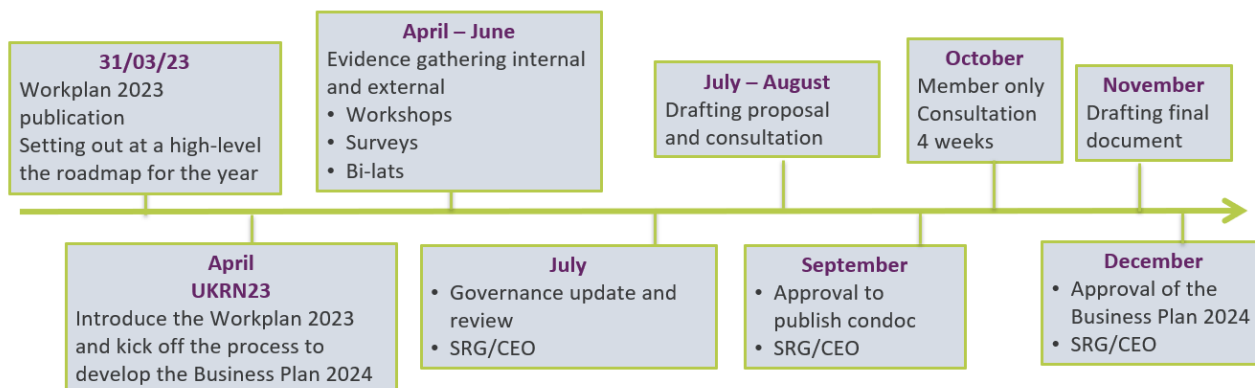
The starting point for the review will be to **identify new themes** that we could work on and to understand how our approach on the three current strategic priorities should evolve to meet new challenges.

The review will deliver a range of outcomes that would deliver towards new strategic priorities. We will also take this opportunity to consider how we will embed our four design principals, described above, into the outputs. In all this work we use the learning from our last multi-year workplan that – however detailed the review of the future is – circumstances will change, and our approach needs to be agile to deal with these changes.

We will also carry out an exercise to review the strategies and forward plans of our members. This will allow us to target synergies and gaps, and areas where the UKRN can add value, and will thereby inform the discussion on topics that could be included.

The results of this work will be consulted upon with our members in the Autumn, this will include a range of strategic priorities that could be included and options for how we would deliver them. The results from the consultation will be captured in our next Business Plan 2024+ which we aim to publish in early 2024.

The following timeline indicates how we currently plan to develop the next Business Plan 2024+. This is subject to change.



We would be interested to hear from you if you like to contribute to our evidence gathering exercise at ukrn@caa.co.uk

Section 4: Related documents

Alongside the publication of this workplan, we have also issued the following documents that are related to the work of the UKRN.

High-level summary of UKRN governance

This gives a high-level overview¹⁶ of the main outputs of the internal governance review that the UKRN carried out in 2022, and is complemented by more detailed internal guidance to support representative decision making in the UKRN. We believe that this is important to provide transparency to the process and as a guide to new members/colleagues that join our Networks. It should be noted we expect to update UKRN governance document over time to reflect ongoing changes as agreed by Senior Representatives Group and our CEOs.

Engagement and outreach

With the lifting of the Covid restrictions we re-started our work to engage and promote the work of UKRN and our members. This started with our Joint Parliamentary Event¹⁷ in October 2022, and is ramping up in 2023 with our UKRN conference in April, the re-invigoration of our 'UKRN on Tour' programme, and other events. To highlight this work and to articulate the objectives that we are seeking to achieve we have published an Engagement Document¹⁸ that will be updated as new events are added.

¹⁶ <https://sway.office.com/jLFXCHinQADuLYT5?ref=Link>

¹⁷ <https://ukrn.org.uk/news-joint-parliamentary-event-2022/>

¹⁸ <https://sway.office.com/hZR0wcxAEXG6iMAN?ref=Link>