



Making Customer Communications Deliver for the UK Utilities Sector

Improving compliance, reducing cost and strengthening customer outcomes.

In Brief

Regulators are tightening requirements on customer communications and utility companies are falling foul. The companies that get this right build outbound communications infrastructure that operates at scale, stands up to the regulator, and saves time and money. Restore Information Management has been operating that infrastructure for the UK's most heavily regulated sectors for over 25 years.

Executive Summary

- + **Communication delivery failures are exposing utility companies to regulatory non-compliance and customer dissatisfaction.**
- + **OVO Energy, Shell Energy, and South East Water all paid the price for delivery failures.**
- + **Regulatory requirements are tightening. Ofgem, Ofwat, and Ofcom are moving towards outcomes-based regulation, placing an increasing burden on your communications infrastructure.**
- + **Current communications models expose you to manual error risk, uncontrollable cost spikes, legacy system limitations, and growing difficulty reaching disengaged customers.**
- + **Better communications infrastructure produces comprehensive audit trails, reduces complaint volumes, helps engage customers in debt, and generates data that helps you make smarter decisions.**

Introduction

Utility companies send millions of customer communications every year. Bills. Outage alerts. Debt reminders. Regulatory disclosures. The volumes are high, the requirements are precise, and the standards have never been more demanding.

When it comes to customer communications, the first instinct is to focus on the content: what your message says to customers. But recent enforcement action tells a different story. The utility companies that have fallen foul of Ofgem, Ofcom, and Ofwat haven't generally been sending the wrong messages. They've been sending the right messages late, in the wrong format, or not at all.

It's a problem of delivery. A problem that we solve with outbound communications infrastructure that saves customers both time and money. That improves their regulatory compliance. That's secured **20% cost savings** for heavily regulated customers like you within 12 months of working with us.

Because, with regulator requirements getting tighter with each passing year, the utilities industry needs to make sure its communications can stand up to what's coming. It needs to make sure those communications don't devour time and money. And it needs to make sure they hold up to regulatory scrutiny.

It needs someone like Restore Information Management to make sure its communications deliver. For everyone.

Tom Baldock,
Managing Director of
Outbound Communications





Three warnings **One** common thread

Recent regulatory action reveals a common problem: communication delivery failures.

Three utility companies have fallen foul of the regulator in just the past three years. And each of their stories has the same villain.

OVO Energy agreed an **£10.4 million** settlement package with Ofgem in June 2026 after an investigation found, among other failings, that some customers who had self-disconnected (run out of credit on a prepayment meter) received no communication or follow-up from the supplier. Ofgem found OVO had appropriate processes in place, but the failure was in turning those processes into action.¹

Ofcom fined **Shell Energy £1,400,000** in 2023 for not properly prompting **more than 70,000** phone and broadband customers to review their contract or letting them know what they could save by signing up to a new deal. Some customers received inaccurate or incomplete information, while others received no communication at all. Ofcom found this was caused by a combination of manual errors and systems and process failures.²

South East Water faced two supply disruption incidents over the winter of 2025/26. Research by CCW and Ofwat found that **over 70%** of affected customers only realised there was a problem when their supply stopped or pressure dropped. And **27%** of customers reported receiving no communications at all during the second incident.³ Ofwat has opened an investigation into whether South East Water has failed to comply with its obligation to provide high standards of customer service and support.⁴

OVO Energy, Shell Energy, and South East Water all fell short, not in the content of their customer communications, but in the delivery. In getting messages to where they needed to be, when they needed to be there.

And the regulatory requirements are only getting tighter.

1. Ofgem, Press release, June 2026. <https://www.ofwat.gov.uk/ofwat-opens-investigation-into-south-east-water-following-repeated-outages/>.

2. Ofcom, News, November 2023. <https://www.ofcom.org.uk/phones-and-broadband/switching-provider/shell-energy-fined-customer-contracts-deals>

3. CCW & Ofwat, Report, June 2026. <https://www.ccw.org.uk/app/uploads/2026/06/CCW-Ofwat-SEW-Incident-Research-Report.pdf>

4. Ofwat, Website, January 2026. <https://www.ofwat.gov.uk/ofwat-opens-investigation-into-south-east-water-following-repeated-outages/>

The regulatory requirements are getting tighter



As regulators focus on outcomes, proving delivery has never been more important

Your regulator is placing greater emphasis on customer service. That includes your ability to effectively communicate with your customers within a reasonable timeframe.

From February 2024, Ofwat has had powers to fine any water company up to **10%** of its turnover for poor customer service.⁵ And in April 2026, the Ofgem Review final report proposed a direct enforcement mechanism that no longer requires court proceedings, the ability to hold senior executives personally accountable, and the power to claw back bonuses in the most serious cases.⁶ The legislation isn't in place for all of these changes. Yet.



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“Every water company should provide excellent customer service but too often through our research and the complaints we handle we see people being badly let down, particularly by poor communication.”⁷

Mike Keil

Chief Executive of the **Consumer Council for Water (CCW)**

Ofcom is following a similar path: its Plan of work 2026/2027 published in March 2026 had a similar focus: delivering positive outcomes. Lexology warned firms to “expect a more hands on Ofcom...with greater readiness to intervene where outcomes for consumers or competition fall short.”⁸

All three regulators are, to varying degrees, turning their focus from rules-based regulation (where you could point to a process) to outcomes-based regulation (where you need to demonstrate that something actually happened). Which places an increasing burden on your delivery infrastructure.

5. Ofwat, Website, February 2024. <https://www.ofwat.gov.uk/water-companies-face-fines-for-poor-customer-service/>

6. Ofgem, Report, April 2026. <https://www.gov.uk/government/publications/ofgem-review-2026/ofgem-review-final-report>

7. Ofwat, Website, February 2024. <https://www.ofwat.gov.uk/water-companies-face-fines-for-poor-customer-service>

8. Lexology, Regulatory outlook, January 2026. <https://www.lexology.com/library/detail.aspx?g=06ef8e9b-b286-413f-b1dd-32f529ba2a8f>

Where current models **fall short**

Most utility companies feel the burden in the same five places.

1. Manual processes and error risk

Every manual process consumes time and money and, worst of all, introduces the risk of error.

Stuffing envelopes by hand? Takes time, uses up human resource, and there's the risk of the wrong letter going in the wrong envelope.

Manually porting a recipient list from a CRM to an email delivery service? An accidental click and one (or hundreds) get left off the list or added to a list they shouldn't be on.

Manually excluding letters from the mail merge so you can create braille or large print versions? It's too easy to miss someone and send them the wrong format. This approach also creates delays in sending communications to vulnerable customers.

What good looks like

Imagine every letter you send features a barcode. So does every envelope. The barcodes match up and the machine scans them constantly. When the wrong letter appears with the wrong envelope, the machine stops. A human has to manually start the process again. The wrong letter physically can't get into the wrong envelope.

And it wouldn't just be limited to letters. Automation removes the risk of human error while human checks ensure the machine doesn't gallop off in the wrong direction. Automatically generated reports confirm what was sent, to whom and when (as well as the necessary audit trails) so you know the job was done right. And automation automatically creates accessible communications, from braille and large print to EasyRead, all at the same pace as standard letters and without any extra delay.



2. High communication costs

Running customer communication operations in-house puts the cost burden entirely on your shoulders. The hardware, software, maintenance, staff, the sheer real estate needed to run it all. And, of course, the cost of delivery, whether that's postage or email and SMS delivery services.

And how do you tackle the demand spikes? Do you build extra capacity to handle the spikes and let that capacity lie fallow most of the year (yet still costing you money)? Or do you build infrastructure around BAU and struggle with demand spikes and risk the regulatory wrath?

What good looks like

Imagine purpose-built facilities processing at scale. Multiple facilities, in fact, that allow for business continuity as well as creating enough capacity to handle demand spikes. But you only pay for what you send, so that capacity isn't a burden to your budget. Even better, the scale of delivery allows you to negotiate discounts from the Royal Mail and other couriers to reduce your sending costs even further.

And speaking of costs, imagine these facilities actually save you money.

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“Outsourcing the capture process has removed the need for us to invest in a hardware and software capture infrastructure, along with skilled operatives. Also, given the non-routine nature of our capture requirements, coupled with potential sudden peaks in volumes, it is more cost effective for this to be handled by an off-site bureau with a scalable capacity.”

Don McKinna

Business Programme Director at
AON Hewitt



3. Regulatory compliance pressure

You've already seen how the regulatory environment is getting tougher to navigate and the move from rules-based regulation to outcomes-based regulation. That means regulators will be increasingly focused on what actually happened, regardless of whether you have a process in place.

That means evidence: timestamps, confirmation of receipt, customer preferences recorded, accessible format logs.

This places an increasing burden on your delivery infrastructure. How readily can you demonstrate when a particular communication was generated? When it was sent? To whom?

What good looks like

Delivery infrastructure that creates the audit trail as a standard part of doing the work. Everything that gets sent is logged, be it a letter, email, or SMS. A timestamp for creation, a record of the channel used, confirmation of dispatch and delivery too. So you have the evidence to prove delivery whether the regulator is asking about 10,000 customers or a single one.



When **Legal & General** needed to improve its customer communications while meeting strict regulatory requirements, our end-to-end delivery infrastructure delivered **20% cost savings within 12 months**, with **95% automatic classification** across **35,000 mail items every day**.⁹

9. Restore Information management, case study, <https://www.restore.co.uk/informationmanagement/resource-hub/insights/case-studies/legal-and-general/>

4. System fragmentation

When you pick a system, you make sure it's going to last to make sure you get value on your investment. Meaning that utility companies can find themselves using the same systems for many years. That delivers excellent return on investment. But it poses a problem when you want to adopt modern customer communication tools that don't integrate with your older systems.

This leaves you facing three options:



None of those options are particularly palatable, are they?

What good looks like

A delivery infrastructure that doesn't care how the data is delivered. Word Document or delimited text file, PDF or XML, Postscript or HTML. However your systems export the data, your delivery infrastructure knows how to read it and turn it into accurate and compliant communications. No complex integrations needed.

Enterprise had the same challenge across their business: different systems generating different document formats, with a credit control team spending hours on manual processing to compensate. Working with our document management platform, they standardised output across every system source and automated what had previously been done by hand.

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“We are able to save **1.5 days a week**, equivalent to **6 days per month**.

Automation has greatly improved our credit control function, allowing our team to focus on other priorities.”

Laura,
Enterprise





5. Customer trust and engagement issues

Customer trust in utilities is suffering. CCW's Water Matters survey found trust had fallen to **6.07 out of 10**.¹⁰ Which? data found customers barely trust energy companies to act in their interests.¹¹ And the 2025 Harris Poll found utility companies **"continue to face entrenched scepticism over fairness and value."**¹²

Customer communications need to demonstrate that you can be trusted. But they're facing increasing challenges with trust too. Two surveys asking consumers which sectors they were most comfortable sharing personal information with, conducted in 2024¹³ and 2025¹⁴, saw the average trust score **decrease by 18.58%**. Building that trust means using communications methods that are trusted.

Sometimes it's not a case of choice, but ability: some of your customers just aren't able to embrace digital. **7.9 million people** in the UK lack basic digital skills, and **1.6 million adults** don't own a smartphone, tablet, or laptop.¹⁵ Relying on digital communications will result in failing to engage with millions.

What good looks like

An omnichannel communications strategy that uses the strengths of each medium and bolsters the weaknesses. The speed and value of email is bolstered by the 49% memorability advantage of post.¹⁶ The risk of letters going unopened is countered by the 98% open rate of SMS¹⁷. And the infrastructure that delivers this capability comes hand in hand with strategic advice that helps your communications engage your customers and secure the result you need.



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“People are wary of clicking links in text messages or emails. They're scared people are going to steal their data. But no-one is scared of opening a letter.”

Richard Williams-Gray

Head of Technical Operations at
Outbound Communications

10. CWW, May 2026. <https://www.ccw.org.uk/news/trust-in-water-companies-hits-a-new-low-as-worries-over-bills-deepen/>

11. Which? March 2025. <https://www.which.co.uk/policy-and-insight/article/consumer-trust-and-concern-in-february-2025-aNC8P4h2Gapf>

12. The Harris Poll UK, October 2025. <https://www.theharrispoll.co.uk/media/2025-corporate-reputation-and-customer-experience-index>

13. Thales Consumer Digital Trust Index – Report, 2024. <https://cpl.thalesgroup.com/resources/encryption/consumer-digital-trust-index-report>

14. Thales Digital Trust Index, 2026. <https://cpl.thalesgroup.com/digital-trust-index>

15. Good Things Foundation, 2026. <https://www.goodthingsfoundation.org/policy-and-research/research-and-evidence/research-2024/digital-nation.html>

16. Marketreach. https://www.marketreach.co.uk/system/files/2025-06/Marketreach_Why_Mail_Cuts_Through.pdf

17. Forbes, 2024. <https://www.forbes.com/councils/theyec/2024/02/05/is-sms-marketing-an-affordable-small-business-growth-booster/>

Making communication your strategic advantage



Modernising your customer communication isn't just about keeping the regulator happy. It's about giving your business all the advantages it deserves.

Customer engagement not avoidance

An efficient omnichannel communications strategy can help reach customers that might otherwise be ignoring you, such as those in arrears; especially relevant to energy suppliers, where household debt has doubled in the past three years. ¹⁸

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“We need to encourage customers in debt, or at risk of falling into it, to engage with their supplier so that they can receive the support they need.”

Ned Hammond

Deputy Director, Policy (Customers)

Energy
UK

Writing in Energy UK news, February 2026 ¹⁹



Matching the message to the customer's preferred channel and using complementary channels gives you an opportunity to move from simply sending reminders to creating an engagement strategy that spurs customer action and tackles debt. Which doesn't just keep the regulator happy, but helps your business' bottom line.

18/19. Energy UK news, February 2026. <https://www.energy-uk.org.uk/news/energy-uk-raises-alarm-over-5-5-billion-energy-debt-crisis/>



Reducing the cost of failure

For a regulated utility processing millions of customer communications a year, the return on investment in getting delivery right is measured against the penalties for getting it wrong.

But automated workflows catch failures before they happen. The wrong letter is stopped at production rather than being identified by a complaint. The customer who wasn't contacted appears in a delivery report, not in a regulatory inquiry. The audit trail is already there when the question is asked.

Meaning you won't see your name in a list with OVO Energy, Shell Energy, or South East Water any time soon.



Reduce complaint volumes

Silence can create complaints just as effectively as bad news. Research into South East Water's supply issues found that 27% of customers during the second supply incident reported receiving no communications at all.²¹ Those customers didn't just have a bad experience; they became complaints, and those complaints became evidence in a regulatory investigation.

When communications go out accurately, on time, in the right format, and through the right channel, silence disappears from your source of complaints. And fewer complaints mean less resource spent on resolution and less exposure to regulatory scrutiny.



Stay ahead of your regulator

It gets you ahead of requirements instead of scrambling to meet them. If your delivery infrastructure can already handle tailored, accessible communications at scale, you're ready to face the increased demand Ofwat projected when it estimated that 52% of customers are eligible for the PSR.²⁰ Equally, should a regulator tighten any requirement, your clear and comprehensive audit trails will already be in place. And if any adjustments are needed, the responsibility won't fall on your shoulders, but on ours.



Data makes your decisions smarter

Smart customer communications make your entire operation smarter. Because it generates data that helps you make informed decisions. Which channels reach which customer segments. How layering different channels delivers different results. Which strategies create engagement. Which customer cohorts are proving difficult to reach. All of that data helps you to make smarter decisions so you get the biggest return when you invest time and money into your customer communications.

20. Ofwat, 2024. <https://www.ofwat.gov.uk/ofwat-launches-new-standards-to-improve-services-for-customers-who-need-extra-help/>

21. CWW & Ofwat, June 2026. <https://www.cww.org.uk/app/uploads/2026/06/CCW-Ofwat-SEW-Incident-Research-Report.pdf>

**Your strategic
advantage is here**

Our outbound mailroom facility means you don't have to imagine what good looks like: it already exists.

We operate **three facilities** with high-speed printers capable of pumping out **21 million letters every month**. Numbers like that mean we've negotiated discounts with Royal Mail and other couriers, which we pass on to our customers.

And we've enough capacity to handle demand spikes (which is how we sent almost **6 million letters for NHS Notify in just three months** without any impact on our BAU operations). But don't worry: there's no minimum volumes. You send and pay for only the communications as you need.

Letters are only part of it. We send any combination of letters, emails, and SMS, triggered automatically based on the rules you set. Accessible formats sit in the same workflow as standard communications: braille, large print, EasyRead, and text-to-speech. No separate process, no extra delay.

There's no need for complex integrations or system upgrades. You just send us your data however you like. Word document or delimited text file, PDF or XML, PostScript or HTML. We handle the rest.

And every communication generates a full audit record: what was sent, to whom, through which channel, when dispatched, and when delivered. We can generate that record because everything is tracked. Even letters get tracked as they move through our printers and envelope stuffers thanks to barcoding technology. And if a barcode doesn't match, the machine stops until a human intervenes, making sure a letter never ends up in the wrong envelope.

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“Restore Information Management have offered key insights into the world of managed print services and have shown their ability to be able to work at scale in short periods of time.”

Wayne Shirt

NHS Notify

OVO Energy, Shell Energy, and South East Water were warnings: customer communications need to become smarter and more efficient if utility companies are going to improve customer outcomes and avoid regulatory scrutiny.

Our team is ready to work with you on building the infrastructure your customers need and your regulators expect. Whether that's reviewing your current setup, handling a specific communication challenge, or taking on your outbound communications entirely. Get in touch with a member of our team today and see what your strategic advantage looks like.

Ready to Improve Your Customer Communications?

Talk to Restore Information Management about building a communications infrastructure that reduces risk, improves compliance and delivers better customer outcomes.



**We're ready
when you
are**

