



HM Treasury

Regulation Action Plan - Progress Update and Next Steps

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Introduction

Effective regulation safeguards consumers, protects vulnerable communities and provides the stability needed for businesses to thrive.

The Department for Business and Trade's 2024 Business Perceptions Survey reveals that almost half of businesses (47%) reporting in 2024 find that regulation is an obstacle to their success, up from 45% in 2022.¹ Too often regulators themselves can be unpredictable and are not incentivised to provide world-leading services to industry. Just two in five businesses in 2024 agreed that regulators helped them to comply with regulation and that they had confidence in the advice and guidance their regulators provided. These trends are even more pronounced when looking at innovative and high-growth businesses. A greater proportion of innovative and high-growth businesses report that complying with regulation presents a challenge to their business.²

This is why in March, the Government published a vision, the Regulation Action Plan,³ for how we will re-energise the regulatory system so that it not only provides critical safeguards and protects consumers and competition, but also supports investment and innovation, increasing productivity and driving economic growth. The UK's Modern Industrial Strategy,⁴ 10 Year Infrastructure Strategy,⁵ and our plan for small and medium-sized businesses,⁶ also set out how targeted regulatory reform is vital to supporting our growth-driving sectors, unlocking investment into UK infrastructure and to making the UK the best place to start and grow a business.

Six months since the Action Plan's publication, we are setting out the tangible progress we have made to deliver that vision and where we will go further and faster to do so, updating on the Plan's three themes: tackling the complexity and burden of regulation; reducing uncertainty across our regulatory system; and challenging risk aversion.

¹ DBT (2025), [Business Perceptions Survey](#)

² Innovative businesses were defined as those that had implemented a new or significantly improved product, process or business model in the last 12 months, or had started working in new business markets in the last 12 months; High growth businesses are defined as those that had increased their staff headcount and sales turnover in the last 12 months.

³ HMT (2025), [New approach to ensure regulators and regulation support growth \(HTML\)](#) - GOV.UK

⁴ [The UK's Modern Industrial Strategy 2025](#) - GOV.UK

⁵ [UK Infrastructure: A 10 Year Strategy](#) - GOV.UK

⁶ [Backing your business: our plan for small and medium-sized businesses](#) - GOV.UK

Tackling Complexity and the Burden of Regulation

Tackling Burdens

The administrative burdens of regulation impacting businesses are too high, driven by form filling, delays in obtaining licences and trying to understand needlessly complex guidance. Businesses report that their time spent dealing with regulation has increased in 2024 to 8.0 days per month on average, up from 6.6 days in 2022.⁷

In March, the Government committed to cutting the administrative burden of regulation by 25% by the end of the Parliament.⁸ We have now established a baseline for the administrative burden of regulation on businesses of £22.4bn a year, which means that **the Government's target is to reduce the annual administrative burden of regulation by £5.6bn by the end of Parliament.**⁹ This draws on recent survey results with responses directly from businesses on their experiences of dealing with regulation, and lessons learnt from previous, similar exercises.¹⁰ Annex A provides further detail.

We are already delivering against this target:¹¹

- **Getting regulation out of businesses' way** and getting Britain building by:
 - Speeding up and streamlining the delivery of 1.5 million new homes and critical infrastructure through our flagship Planning

⁷ DBT (2025), [Business Perceptions Survey](#)

⁸ [New approach to ensure regulators and regulation support growth \(HTML\) - GOV.UK](#)

⁹ DBT-HMT (2025), Admin Burden Baseline estimates INTERNAL, DBT (2024), [Business Population Estimates](#), ONS (2024), [Earnings and hours worked, all employees: ASHE Table 1](#), ONS (2020), [Index of Labour Costs per hour](#)

¹⁰ DBT analysis of DBT-HMT (2025), Admin Burden Baseline estimates INTERNAL, DBT (2024), [Business Population Estimates](#), ONS (2024), [Earnings and hours worked, all employees: ASHE Table 1](#), ONS (2020), [Index of Labour Costs per hour](#)

¹¹ Where necessary, DBT-HMT have used HM Treasury (2025), [GDP deflators at market prices, and money GDP June 2025](#) (Quarterly National Accounts) to put figures in a consistent base year & HM Treasury (2022), [The Green Book](#) to apply discount rates. All estimates of reforms in this section (p.2-4) are presented as annualised savings over a 10-year period in 2024-25 prices.

and Infrastructure Bill, expected to deliver £272m in administrative savings for businesses every year.¹²

- Giving statutory undertakers (e.g. licensed excavators, owners of underground assets) instant access to data and speeding up work to operate and repair our pipes and cables by establishing the National Underground Asset Register (NUAR), which will deliver over £185m in administrative savings per year.¹³
- Enabling the use of digital verification services, making it easier for businesses to comply and evidence compliance with regulatory requirements. It is estimated that widespread use of digital verification services will deliver over £500m in administrative savings per year.¹⁴
- **Saving businesses time**, as well as rationalising onerous reporting requirements and administrative tasks by:
 - Increasing the monetary size thresholds for micro, small, medium and large-sized companies by approximately 50%, enabling up to 132,000 companies to benefit from lighter touch requirements; and eliminating duplicative or redundant reporting requirements from the Directors' Report and Director's Remuneration Report and Policy, delivering £185m in administrative savings every year.¹⁵
 - Significantly reducing the regulatory burden on businesses by improving the quality of the data the Financial Conduct Authority (FCA) collects by decommissioning low-value data returns and simplifying reporting requirements through its Transforming Data Collection Programme. Over 2025, the FCA has consulted on proposals that would reduce reporting burdens of over 36,000 firms, which would deliver over £25m in annual administrative savings.¹⁶
- **Saving businesses and charities money** so they can invest in what matters to them:
 - Significantly reforming the information which the Prudential Regulation Authority (PRA) requires from financial services firms to ensure it is proportionate, for example by reducing the volume of regulatory reporting and the frequency with which firms need to update key documents. The PRA has already proposed or implemented cuts to existing requirements which save

¹² See technical annex B for sources and methodology for this estimate

¹³ See technical annex B for sources and methodology for this estimate

¹⁴ See technical annex B for sources and methodology for this estimate

¹⁵ See technical annex B for sources and methodology for this estimate

¹⁶ See technical annex B - estimates from [CP25/16](#) p 14, [CP25/24](#) p 16 and [CP25/8](#) p 15 were added together

businesses over £100m per year in administrative burdens and is continuing to identify further opportunities for reforms, particularly in relation to banks' regulatory reporting.¹⁷

- The Department for Culture, Media and Sport (DCMS) will publish the outcomes of its review of financial thresholds in charity law in the coming weeks. They will reduce red tape and reporting requirements for charities of all sizes, generating around £47m of administrative savings per year so they can spend more time and money supporting their causes.¹⁸ DCMS will implement the changes in 2026 to enable the sector to take advantage of savings as soon as possible.

Modernising Corporate Reporting

We are going further by announcing that the Government will seek to introduce further legislative changes to streamline corporate reporting requirements. This will reduce bureaucracy and could save businesses around £230 million per year in administrative burdens.¹⁹ We will make sure that tens of thousands of businesses will no longer need to produce a strategic report and, for other companies, will simplify requirements for other narrative reporting. The legislative changes announced will:

- Exempt medium-sized private companies from producing a strategic report in the Annual Report;
- Exempt wholly owned subsidiaries from producing a strategic report where they are covered by the reporting of a UK parent; and
- Remove the requirement to produce a directors' report, with some provisions to be removed entirely, and others relocated elsewhere in the Annual Report.

The changes announced today, combined with the changes from earlier this year that are benefitting thousands of companies, continue the pace of reform to deliver an effective reporting framework for companies and investors. The Government will continue to pursue further opportunities to reduce business burden and is announcing an expanded review of the Modernisation of Corporate Reporting covering the whole of the Annual Report and Accounts. As part of this expanded review, we will launch an ambitious consultation next year.

The government has announced a number of other major interventions which will substantially reduce administrative burdens on business,

¹⁷ Estimates from [PS3/24](#) Table A (£68.68m), [CP15/25](#) Para 2.41 (£0.5m), [CP14/25](#) Para 4.5 (£1.2-£1.8m) and Para 4.9 (£7-10.5m), [CP21/25](#) Para 2.42 (appendix) (£26.3m) and [June 2025 SCGO Report](#) Table 6 (c.£11m) were added together

¹⁸ See technical annex B for sources and methodology for this estimate

¹⁹ See technical annex B for sources and methodology for this estimate

such as the reforms set out in the Industrial Strategy and additional FCA and PRA reforms including to the Senior Managers and Certification regime (SM&CR). HM Treasury (HMT) is also consulting on legislative changes to the SM&CR and is working closely with the regulators to radically streamline the regime by aiming to reduce its overall burden by 50%, pending the outcomes of the consultation. We will continue to deliver an ambitious programme of reforms, targeting areas that remove or streamline administrative processes ensuring we do not hold back growth with unnecessary red tape, whilst ensuring safeguards are in place for consumers and vulnerable communities.

Tax Administration

Taxes, duties, levies and charges administered by HMRC are not included within the baseline and target. This mirrors the approach taken with previous regulatory targets, including the 2005-10 'Simplifying Regulation' burden reduction exercise. Tax and customs administration do nevertheless contribute to the overall administrative burden for business. To mitigate this:

- HMRC will become a digital-first organisation with a minimum of 90% of all customer interactions undertaken digitally by 2029 to 2030 as part of its commitment to improving customer services. This includes expanding the range and type of online services it provides to businesses whilst ensuring its services meet the standards set out in the HMRC Charter.
- HMRC is committing to improving the UK business experience of the tax and customs system. Through HMRC's Customer Experience Surveys, the department will track and report on progress using key metrics linked to 'ease', covering views directly from across the UK business population. These are: the proportion of small businesses and of mid-size businesses who report ease of dealing with their tax affairs and obligations as easy and as difficult (currently 73% (easy) & 8% (difficult) for small business and 77% (easy) & 5% (difficult) for mid-sized businesses); and the proportion of large businesses who report HMRC are easy to deal with (currently 75%). HMRC will build on this, with a commitment to increase the proportion of businesses who answer these questions positively.
- The Transformation Roadmap details HMRC's work to enhance customer experience. The department will also be announcing further steps to improve the experience of UK business. Having identified four customer journeys which present particular challenges to business as they start up and grow, HMRC is committing to reviewing these journeys for opportunities to simplify and improve them.

Planning and Environmental Permitting

For too long the UK has been held back by a sluggish and overly complex planning and environmental permitting system which risks delaying the delivery of new homes, critical infrastructure and clean energy projects, the delivery of which support our central growth mission. In the 2024 Business Perceptions Survey, over half of businesses considered planning rules and regulations to be on one of the most challenging regulatory areas to comply with.²⁰ That is why we committed in our Regulation Action Plan to overhauling our planning and permitting system as an immediate priority.

The Government and regulators have taken significant steps to overhaul and upgrade our planning and environmental permitting system so that it does not unduly hold back growth. This includes:

- Introducing reforms in the Planning and Infrastructure Bill to streamline licence requirements for Nationally Significant Infrastructure Projects (NSIPs).²¹ The Ministry for Housing, Communities and Local Government (MHCLG) also delivered regulations to reintroduce onshore wind into the NSIP regime and introduced amendments to remove the statutory preapplication stage consultation requirement for critical infrastructure. This could reduce consenting timescales for major infrastructure projects by 12 months.²²
- Reforming electricity consenting in Scotland to deliver a streamlined and efficient framework that is fit for purpose, including through enabling the introduction of a pre-application service.
- The Government is committed to accelerating grid connections for strategic demand projects. In the Industrial Strategy, the Department for Energy Security and Net Zero (DESNZ) announced plans to build on fundamental reforms to the grid connections process, using new powers in the Planning and Infrastructure Bill to amend regulatory processes and launch a new Connections Accelerator Service (CAS), prioritising support for projects that create high-quality jobs and bring the greatest economic value.²³
- The Government has also established an independent Nuclear Regulatory Taskforce which will make recommendations to improve the system of regulation for civil and defence nuclear with the objective of improving the speed of delivery and reducing the overall cost without compromising fundamental standards.²⁴ The scope

²⁰ DBT (2025), [Business Perceptions Survey](#)

²¹ MHCLG (2025), [Planning and Infrastructure Bill](#)

²² DBT (2025), [Industrial Strategy](#)

²³ DBT (2025), [Industrial Strategy](#)

²⁴ DESNZ (2025), [Nuclear Regulatory Taskforce - GOV.UK](#)

includes nuclear, safety, environmental and planning regulation, and a final report is expected to be published in the coming weeks.

- In December 2024, the Government announced major changes to the National Planning Policy Framework, including changes to allow development on 'grey belt'. These reforms were forecast by the Office for Budget Responsibility (OBR) to deliver 170,000 additional homes and add £6.8bn to the economy by 2030.²⁵ MHCLG have also made changes to 'green belt' policy to support economic growth in key sectors, including to support laboratories, gigafactories, digital economies, and logistics, given their importance to our economic future.²⁶
- A Written Ministerial Statement was published in March 2025, making it clear that statutory consultees must work in support of the principles of development and economic growth; that local planning authorities (LPAs) should only consult statutory consultees when absolutely necessary; and announcing a new performance framework to monitor statutory consultee performance. The Government will shortly publish a consultation, testing the impact of removing three statutory consultees, and reforming the referral criteria for other statutory consultees.
- The Government are providing certainty around the NSIP regime for industry, by updating 5 National Policy Statements by early 2026. These will ensure further clarity when preparing submissions and making decisions on applications for development consent. We will legislate to ensure they are updated at least every five years, guaranteeing policies are underpinned by relevant and up-to-date evidence.
- The Department for Environment, Food and Rural Affairs (DEFRA) published a joint consultation with the Welsh Government in April on reforming the Environmental Permitting Regulations (EPRs) to empower regulators to make sensible, risk-based decisions about exempting certain low-risk activities from permitting which will speed up the consenting process for developments, including NSIPs.²⁷ Feedback showed strong support for the core proposal and the accompanying safeguards designed to uphold environmental protections. We intend to publish the joint government response

²⁵ OBR (2025) [OBR concludes planning reforms will bring housebuilding to its highest level in 40 years](#).

²⁶ MHCLG (2025) [Proposed reforms to the National Planning Framework](#)

²⁷ These reforms deliver on the Government's commitment in the Action Plan to streamline environmental permitting for low-risk activities within the planning process. Transparency and safeguards will be embedded in the process including the requirement for the EA, in England, to consult on any proposed exemptions — including the appropriate controls and conditions needed to uphold environmental and human health protections. In Wales, the Welsh Government supports these changes but, due to the timing for making the regulations falling within the pre-election period, intend to consider and take a decision after the Senedd elections in May 2026.

shortly, along with proposals for permitting easements for low-risk activities in England, and intend to introduce these changes when parliamentary time allows. These changes are intended to help accelerate the delivery of vital infrastructure and housing development, we anticipate that the Environment Agency will use these amended powers in England to introduce targeted exemptions to low-risk and often temporary activities commonly associated with construction, including but not limited to site drainage, site investigation works, dewatering operations and groundworks within floodplains.

- In August 2025 the Government launched a consultation on modernising environmental permitting for industry and energy sectors. The reforms aim to support industrial innovation through regulatory sandboxes, to streamline regulation of low-risk sectors and to ensure necessary standards are developed promptly for high growth sectors to enable rapid permitting.
- DEFRA have worked with environmental regulators to review and update its standing advice for local planning authorities on bats, guidance on land contamination risk management, and its rules relating to agricultural nutrient management and water quality to remove complexity and duplication, particularly where it holds back development.
- The Environment Agency has delivered the first phase of its digital transformation and has met and sustained its 21-day target for planning applications. Their National Infrastructure Team is now managing 99 NSIPs, and the Environment Agency will roll out its Priority Tracked Service by the end of the year to speed up the delivery of major projects.

We are now going further:

- MHCLG will consult before the end of the year, on a set of National Policies for Decision Making to support a more rules-based approach to planning, that drives quicker and more certain outcomes. This will include opportunities to further prioritise building on previously used urban land and making best use of land in accessible locations, such as around train stations.
- DEFRA will publish Strategic Policy Statements (SPS) for the Environment Agency and Natural England by the end of 2025, to set out the Government's expectations for delivering its priorities, including setting out how Ministers expect both regulators to exercise constrained discretion to ensure strategic decision-making is prioritised over process compliance. The SPS for the Environment Agency may need to adapt once the Ministerial direction relating to the water transition plan is published, and the transition to the new regulatory structure for water has commenced.

- The Government announced in their Regulation Action Plan that DEFRA would appoint a lead environmental regulator for all major projects in which multiple regulators have an interest to make decisions on their behalf and provide a single front door for major projects. We have already launched our first Lead Environmental Regulator pilot on the Lower Thames Crossing project, helping the project to move at pace and delivering streamlined regulatory approaches whilst ensuring nature remains protected. DEFRA will roll out its newest pilot on a major redevelopment project in Falmouth Docks to support landmark investment into the UK.²⁸
- DEFRA is reviewing as a high priority its 'top ten pieces' of guidance, including its Habitats Regulations Assessment, Wildlife Licensing Guidance and Sites of Special Scientific Interest (SSSI) Land Management Guidance.²⁹
- The Government will introduce new measures to modernise the digital certification process for energy infrastructure planning applications. Greater use of AI and new IT systems will also reduce the burden of compliance and improve regulator efficiency.

Business-Focused Reform

This Government remain committed to listening closely to businesses, large and small, to guide regulatory reform across the economy and to ensure that we continue to tackle the costs stemming from regulation which bite hardest. For example:

- We acted swiftly to introduce and extend a series of flexibilities to the Zero-Emission Vehicle (ZEV) Mandate to enable multiple compliance pathways, and support manufacturers in the transition;³⁰
- UK REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) fees are being reduced by an estimated £40m in total over the next six years, with the cost of registration expected to reduce for over 90% of firms³¹;
- We are making reforms to the licensing regime, including increasing the entitlement maximum for Temporary Event Notices (TENS), as

²⁸ DEFRA (2025) [Environmental reforms to break planning system gridlock](#) - GOV.UK

²⁹ [Standing Advice for Local Planning Authorities on Bats](#) (already updated and published); [Land Contamination Risk Management](#) (already updated and published); [Rules relating to agricultural nutrient management and water quality](#) (already updated and published); [rules for farmers and land managers](#); [Habitats Regulations Assessment](#); [Wildlife Licensing Guidance](#); [Sites of Special Scientific Interest \(SSSI\) Land Management Guidance](#); [Waste Duty of Care: Code of Practice](#); [Marine Licensing Guidance & Applicant Guidance](#); [Code of Practice on Litter Refuse](#) and [Statutory Litter Enforcement Guidance](#)

³⁰ DfT (2025), [Phasing out sales of new petrol and diesel cars from 2030 and supporting the ZEV transition: summary of responses and joint government response](#) - GOV.UK

³¹ DBT (2025) [New approach to ensure regulators and regulation support growth](#)

set out in our plan for small and medium-sized businesses, which could result in £10m-£25m extra revenue for the industry and smaller businesses.³²

We are now going further and have launched a [Call for Evidence](#), focused on supporting our efforts to reduce the administrative burden the UK's licensing regime places on our highstreets. Following the recommendations of the joint Industry Licensing Taskforce, this Call for Evidence seeks views on the UK Government establishing a National Licensing Framework delivering licensing easements, reducing burdens and providing more certainty to our High Street businesses.³³

We are building on the successful model of Licensing Policy Taskforce's work, to unlock similar growth potential in the retail sector.³⁴ There is compelling evidence that targeted, bottom-up regulatory reforms can deliver significant economic benefits to the retail sector. The Department for Business and Trade (DBT) and HM Treasury (HMT) are leading a focused stakeholder engagement programme with the retail sector to examine where we can go further to support our high streets.

We will need to go further to deliver our commitment to reduce the administrative burdens of regulation for business. That is why today, we are launching [Unlocking Business: Reform Driven by You](#), a business questionnaire to help direct our ambition and efforts. This is a chance for businesses, investors, representative organisations and charities to tell us which regulations and regulators are imposing the most burden so we can deliver a pro-business programme of regulatory reforms.

The Government is committed to delivering the Growth mission and removing barriers to growth within the UK regulatory system. Where reforms set out in the Regulation Action Plan, this paper or identified by our business questionnaire require primary legislation, we will prioritise these reforms and ensure that these are at the forefront of planning for future primary legislation through the rest of this Parliament, including to support delivery of the target to reduce administrative burdens by 25% working with other government departments to identify the most effective way to deliver these.

Simplifying and Streamlining the Regulatory Landscape

In 2024, only a third of businesses agreed that it is easy to comply with regulations in the UK, down from 45% in 2020.³⁵ In March, we committed to simplifying regulatory structures, to eradicate duplication

³² DBT (2025) [Backing Your Business: Our plan for small and medium sized businesses](#)

³³ DBT (2025), [Licensing policy sprint: joint industry and HM government taskforce report - GOV.UK](#)

³⁴ DBT (2025), [Licensing policy sprint: joint industry and HM government taskforce report - GOV.UK](#)

³⁵ DBT (2024) [Business Perception Survey](#)

and to deliver a regulatory system which is easier to navigate for businesses and investors. We have taken the following steps to do so:

- In July, the Government announced the most significant package of reforms to the Financial Ombudsman Service (FOS) since its inception to provide greater regulatory coherence with FCA, and prevent the FOS acting as a quasi-regulator in a small but impactful number of cases.³⁶ The Government is considering the responses to its recent consultation and intends to bring forward legislation to deliver reforms when parliamentary time allows.
- In response to the Independent Water Commission Report published in July, the Government announced its intention to abolish Ofwat and merge the water regulation functions of four different bodies into a single water regulator.³⁷
- We have commenced reviews of the performance of the Pubs Code Adjudicator and the Groceries Code Adjudicator and will publish the outcomes of these reviews in 2026.
- The Government is delivering legislation to establish the Fair Work Agency (FWA) through the Employment Rights Bill, consolidating the functions of the Gangmaster and Labour Abuse Authority, the Employment Agency Standards Inspectorate and the Director of Labour Market Enforcement into a single public body.³⁸ The FWA will bring together existing state enforcement functions into one place, and over time, take on enforcement of a wider range of employment rights.

We will now go further by:

- HM Treasury will consolidate the anti-money laundering (AML) and counter-terrorist financing (CTF) supervisory functions of 22 professional services supervisory bodies.³⁹ The Financial Conduct Authority (FCA) will assume responsibility for this. Reform of the UK's AML / CTF supervision regime will strengthen the UK's defences against illicit finance, support sustainable growth, and simplify a complex regulatory system.
- Following a review announced as part of the Regulation Action Plan and delivered as part of the Cabinet Office Review of Arm's Length Bodies, we intend to abolish the British Hallmarking Council (BHC) and consolidate its functions alongside wider product regulation functions when parliamentary time allows.

³⁶ HMT (2025), [Review of the Financial Ombudsman Service](#)

³⁷ DEFRA (2025), [Ofwat to be abolished in biggest overhaul of water since privatisation - GOV.UK](#)

³⁸ DBT (2025), [The Fair Work Agency](#)

³⁹ HMT (2025) [Reforming anti-money laundering and counter-terrorism financing supervision - GOV.UK](#)

Reducing Uncertainty Across our Regulatory System

In the Regulation Action Plan, we committed to working with regulators to achieve greater clarity of their roles, approaches and processes. This included making sure regulators have a focused set of duties and steers to incentivise them to regulate for growth and act proportionately on risk, alongside a strengthened performance framework underpinned by stronger political alignment and input from businesses and experts.

Clarifying Duties

We have reviewed the duties of the key regulators to provide clarity on the approach they are taking on growth. Since March:

- The Independent Water Commission, led by Sir Jon Cunliffe, published its final recommendations in July.⁴⁰ In response, the Government has announced that they will establish a single, powerful regulator bringing together water functions from existing regulators.
- The Corry review has published its findings, recommending the consolidation of the statutory duties, principles and codes of DEFRA regulators to a core set, reflecting the Government's priorities and helping to provide discretion.⁴¹ The Government is now actively exploring how to implement changes.
- The Government's review of Ofgem is nearly complete and we expect to make recommendations for streamlining Ofgem's duties and strengthening its mandate on growth.
- The Government has reviewed the Office of Rail and Road's duties as part of their rail reform plans, which have explored how the rail sector can drive growth. The Government will shortly set out plans to take this and broader sector reforms forward.

We will now go further through various means:

⁴⁰ Independent Water Commission (2025) [Independent Water Commission: Review of the water sector](#)

⁴¹ DEFRA (2025) [An independent review of DEFRA's regulatory landscape](#)

- We are determined to align key regulators' activities and decisions more closely with the Government's Growth Mission while ensuring they fulfil their policy intent. We will reform the Growth Duty so that the legal framework is clearer, more focused and ensures regulators must consider and promote growth. We will work with regulators to ensure they have clarity from government regarding what growth means for them.
- We will continue to take a strategic perspective on economic regulation, and alongside sector specific activities and following the outcomes of the individual sector reviews, the Government will set out an updated approach to economic regulation by the end of 2025.

Stronger Performance and Accountability

To ensure that the UK's regulatory system supports growth, it is vital that regulators provide businesses with services that are proportionate, transparent and aligned with international best practice.

In 2024, less than a quarter of businesses agreed that regulators provided timely responses. That is why we committed in our Regulation Action Plan to taking a whole of government approach to formalising performance reviews between ministers and regulators, and to working with key regulators to strengthen their accountability for providing high-quality services by publishing their performance against clear, time-bound targets for processing authorisations and providing fast lanes for approvals where there is substantial demand for expedited decisions.

Since March:

- We have established bi-annual performance reviews of key regulators led by ministers, focussing on each regulator's performance against their statutory duties and strategic steers from government, their performance in lowering administrative burdens and against their published Key Performance Indicators (KPIs). Regular performance reviews also provide regulators with a feedback loop to government, to inform decisions on where further political backing is required to deliver shared priorities.
- All key regulators have published their performance metrics, with the majority publishing performance against KPIs that are clearly accessible on their websites.
- At Mansion House 2025, the Government announced that it will legislate to shorten the statutory deadlines which the FCA and PRA must meet for new firm authorisations, variation of permissions, and the appointment of senior managers, including a target to shorten the process for new firm authorisations by 2 months.⁴² The FCA and PRA have also committed to stretching,

⁴² HMT (2025) [Mansion House 2025](#)

non-statutory targets to further speed up the most critical applications for firms. These targets are set out in letters from the [FCA](#) and [PRA](#) to the Chancellor, published in July 2025. Both regulators will begin reporting progress against these deadlines and targets, with some exceptions, from early 2026.

- Key regulators, such as the Competition and Markets Authority (CMA), Civil Aviation Authority (CAA), Environment Agency, National Institute for Health and Care Excellence (NICE), the Medicines and Healthcare products Regulatory Agency (MHRA) and Natural England (NE) have established routes to expedite authorisations or requests for advice, with many other regulators taking tangible steps to upgrade services.
- Under the leadership of CEO Sarah Cardell and Interim Chair Doug Gurr, the CMA have undertaken significant changes to focus their work on growth and investment while protecting consumers. Their '4P's' programme to improve pace, proportionality, predictability and process is enhancing business and investor confidence while they undertake their important role of promoting competition and tackling unfair behaviour. The CMA will also be publishing a suite of KPIs to better reflect its impact, speed and efficiency in reducing regulatory costs and improving stakeholder engagement. To support this, CMA will be launching two stakeholder surveys during this financial year, aimed at gathering valuable insights and strengthening its engagement with the business community.

To build on this momentum, we are now taking further steps:

- We will launch a Regulator Dashboard, displaying performance against KPIs and authorisation processing times across the initial 16 key regulators which committed to review their KPIs as part of the Regulation Action Plan, making it easier for businesses and stakeholders to monitor regulator performance and access relevant information. We will then go further by enhancing dashboard functionality to improve user experience, expanding coverage to include a broader range of regulators and leveraging stakeholder feedback directly through the dashboard to scrutinise performance metrics.
- We will convene a Regulators Council, chaired by the Business Secretary, and attended by the chief executive officers of key regulators. These meetings will ensure there is regular dialogue between regulators and ministers to foster alignment on growth, collaborate on cross-cutting policy issues, share best practice, drive cultural change within individual regulatory bodies and eradicate duplication between regulators. The explicit focus will be on promoting economic growth across the regulatory landscape.
- We will deliver independent expert performance reviews for key regulators to help regulators tackle challenges and barriers that prevent growth. The first of which will be a review of the Office of

Rail and Road (ORR), where independent advice will help it best support rail sector transformation and deliver on enduring functions.

- We will undertake a targeted deep dive to review the burden of central government regulation implemented at the local level. This initiative will engage directly with businesses and local authorities to identify practical policy solutions that reduce unnecessary regulatory burdens. It will look to support local authorities in delivering high-quality services, minimise existing inconsistencies in regulatory implementation, and strengthen effective and consistent enforcement and market surveillance. It will also seek to improve the experience of businesses operating across multiple local authority areas, facilitating innovative regulatory approaches and bolstering opportunities for growth.

Providing Certainty for Investors, Businesses and Consumers

Alongside work to hold regulators to account, we have taken timely and targeted action to ensure that regulatory services across the economy are pacy, predictable and proportionate for business and fit for the modern age.

Since March, we have:

- Issued a strategic steer to the CMA setting out how government expects the CMA to support economic growth across all aspects of its activity. In parallel, to support growth, investment and business confidence, the CMA is embedding the four principles of pace, predictability, proportionality and process across all its work.
- Government, regulators and the City of London Corporation have worked at pace to establish the new Office for Investment: Financial Services. Launched in October 2025, this service will provide a single front door to help international firms establish a presence in the UK. This includes simplifying the regulatory journey and providing support on other business needs, covering visas, banking, location planning and talent acquisition.
- Accepted the findings of the Technology Adoption Review for Clean Energy Industries, including through enabling the use of AI to streamline local planning and accelerate the consenting of clean energy projects.⁴³
- The Ministry of Defence's (MOD) review into the Single Source Contract Regulations has begun with the intent of delivering proposals for reform by Spring 2026, including on initiating wider participation in defence procurement, especially from SMEs.⁴⁴

⁴³ DSIT (2025) [Technology Adoption Review](#)

⁴⁴ House of Commons (2024) [Defence Procurement: The single source contract regulations](#)

We will now go further:

- Consistent with the objectives of the CMA's own reforms, DBT will consult in the coming weeks on proposals to provide greater certainty for businesses on whether transactions will be subject to merger control; proposals to ensure remedies are regularly reviewed; as well as changes to how the CMA makes decisions in mergers and markets investigations. This includes replacing the CMA's panel model for decision-making by replicating the Digital Markets Board Committee model, for both the CMA's mergers and markets functions. These proposals, which will be taken forward in close collaboration with the CMA, will not alter the independence of CMA decision-making from Ministers.
- We will bring forward a consultation on specific reform proposals to strengthen predictability, incentivise alternatives to litigation and ensure effective consumer protection. This is in response to our review of the opt-out collective actions regime which has already identified the need for reform to ensure that consumers receive genuinely meaningful redress, whilst businesses can innovate with protections from speculative litigation.
- The Department for Transport (DfT) will simplify GB type approval applications for vehicle manufacturers by completing the rollout of the online portal to make the process simpler, less costly and more transparent. The portal is now in use, and all manufacturers requiring approvals will be transitioned to the portal by February 2026.
- The Financial Reporting Council (FRC) will clarify the UK Corporate Governance Code guidance to make clear that the payment of non-executive directors in shares is appropriate, enhancing the ability of UK listed companies to attract the highest calibre of talent on the global stage. The updated guidance will be published by the FRC in early November.
- The Government has also worked with the Investment Association (the IA), asking them to discontinue the IA's Public Register which tracks shareholder dissent. We are grateful to the IA for establishing the Register following a request from Government, however the Register has served its purpose, and this removes duplication with UK Corporate Governance Code requirements that already provide transparency for investors, supporting our wider efforts to streamline our corporate reporting framework.
- We will develop proposals for greater digitalisation and streamlining of processes within the aviation, space and maritime sectors, including through use of AI, to provide transparency for industry.
- The CAA is implementing several improvements to enhance operational processes for users. These include digitising operational approvals through the UK Specific Operations Risk

Assessment (SORA) digital platform and developing an AI modernisation tool to assist users to enable quicker operational authorisations. These improvements have already led to faster operational approvals, with the first approval in the new digital system issuing in 55 days, a 21% approval on the previous average.⁴⁵

- We will drastically improve the digital experience for businesses in complying with regulations by archiving thousands of outdated pages and producing clearer guidance for all businesses, from breweries to spaceports. We will go further across licensing services by digitising hundreds of PDF form applications, enabling cross-government data sharing and making legislation more machine-readable to support automated compliance and legislation reform. Collectively, these efforts will save businesses over £13m in administrative burdens per year.⁴⁶
- We will drive improvements in the performance and efficiency of the export licensing system as a service to business that enables responsible exports to support UK growth, as set out in the Defence Industrial Strategy.⁴⁷ We will continue to refine processes, upskill staff and improve the customer experience to reduce burdens on businesses. We will continue to develop our new digital licensing platform, LITE, with further licence types and additional functionality being introduced, making the process much smoother for businesses. We also commit to increased engagement with exporters about licensing requirements earlier to support their understanding of the process.

Outcome-Focused Regulation

Our Regulation Action Plan made clear that the Government will challenge unnecessary regulation, including where the administrative burdens posed to business are too high. We will not regulate by default. For example, we committed in the Industrial Strategy to influencing international standards to reduce trade barriers and make it easier for new and emerging technologies to be commercialised.⁴⁸ We will continue to work with the British Standards Institution (BSI) and the UK Accreditation Service (UKAS) to promote the digitalisation of systems and the development of smart, machine-readable standards, as part of our wider ambition to increase business access and future-proof the UK's standards and accreditation framework. We will also go further in our promotion of the use of designated standards across government

⁴⁵ CAA (2025) [UK SORA replaced the OSC method as the way to apply for an operational authorisation in the Specific Category from 23rd April 2025](#)

⁴⁶ See technical annex for sources and methodology for this estimate

⁴⁷ [Defence Industrial Strategy: Making Defence an Engine for Growth](#)

⁴⁸ DBT (2025) [The UK's Modern Industrial Strategy](#)

to support faster market entry, reduce risk and improve regulatory clarity.

Where there is a strong evidence base that suggests that new regulation is necessary to address economic, societal and environmental risks, or to promote better outcomes for communities and consumers, the Government will work to ensure that any new regulation is proportionate and provides certainty to both businesses and consumers. For example, the Government has initiated work this year to:

- Protect people in financial difficulty by consulting on introducing statutory independent regulation of the enforcement (bailiff) sector. In line with the Regulation Action Plan, the Ministry of Justice's (MoJ) consultation sought views on how to hold the regulator accountable and ensure its objectives are targeted and proportionate to avoid restricting economic growth. The MoJ will publish its response to the consultation in due course.
- Put fans back at the heart of live events and protect the growth of the live events industry by introducing new consumer protections for ticket resales. Earlier this year, DCMS and DBT published a consultation on a range of options to clamp down on unfair practices and to make it easier for fans to buy tickets, including through potential new regulation. DCMS and DBT will publish the response to the consultation shortly.⁴⁹

⁴⁹ DCMS (2025) [Putting fans first: consultation on the resale of live event tickets](#).

Challenging and Shifting Excessive Risk Aversion in the System

Proportionate on Risk

In 2024, only one in five businesses agreed that regulators actively support the introduction of new or improved products, processes or business models.⁵⁰ To deliver a regulatory system which is fit for the modern age, it is vital that regulatory frameworks and the actions of regulators strike the right balance on prioritising risk against inviting investment opportunities and innovative solutions which would contribute to wider economic growth.

Since March:

- The Department for Science, Innovation and Technology's (DSIT) Mobile Market Review assesses major developments occurring across the sector and how these impact investment in widespread high-quality connectivity over the long-term.⁵¹ To support this assessment, DSIT are publishing a Call for Evidence later this year, focussing on delivering the right policy and regulatory framework to support innovation, investment and competition.
- The Government has been working with the FCA to create a provisional licences regime which would allow some start-up firms to conduct limited regulated activities with streamlined conditions and stronger oversight, to make it easier for them to secure the necessary capital to start-up and grow. The Government will shortly publish a policy statement setting out further details of this new regime, ahead of bringing forward legislation when Parliamentary time allows.
- As part of HMT's Financial Services Growth and Competitiveness Sector Strategy, the Chancellor asked the FCA to set out plans to address concerns about the way the Consumer Duty is working for

⁵⁰ DBT (2025), [Business Perceptions Survey](#)

⁵¹ DSIT (2025) [ACT Market Scoping Analysis 2025](#)

wholesale firms engaged in distribution chains.⁵² The FCA has now written to the Chancellor, setting out concrete actions to address these concerns and a timeline for delivery.

- We have worked with the FCA and the Bank of England, who have clarified and increased the flexibility of their mortgage regulations. This is helping more customers – especially first-time buyers – to borrow what they need to buy the homes they want, while retaining protections so that lending remains affordable and responsible.
- The Government has recently published its review of Commercial Credit Data Sharing which will be open until late November.⁵³ We intend that the Bank Referral Scheme review will follow shortly. These initiatives support SME finance, improving and broadening small businesses' access to finance, and strengthen competition in the marketplace for SME lending. By examining and taking evidence on what is working and what could be improved, we can make sure these schemes continue to support growth and innovation in the UK economy. Depending on stakeholder feedback, HMT will explore whether the existing legislation needs to be amended or whether the policy objectives can be achieved by alternative means such as through relevant guidance or designating more entities.
- The Government has announced changes to the Money Laundering Regulations to make requirements for around 100,000 businesses more effective and proportionate to risk.⁵⁴

The Government and regulators are working together to go further:

- The Department for Health and Social Care (DHSC) and MHRA are accelerating regulatory reform to support responsible innovation, benefitting patients, the NHS and the economy, including through the current statutory review of the UK's medicines and medical device regulatory framework.⁵⁵ The review conclusion will be published in the first half of 2026.
- DfT and the Civil Aviation Authority (CAA) are carrying out consultations on airspace modernisation, which will focus on reforms to the Air Navigation Directions and Air Navigation Guidance, to ensure that the Future of Flight Programme is reflective of government priorities.

⁵² HMT (2025) [Financial Services Growth and Competitiveness Strategy](#)

⁵³ HMT (2024) [Post-Implementation Review of the Commercial Credit Data Sharing Scheme](#); HMT (2024) [Post-implementation review of the Bank Referral Scheme](#)

⁵⁴ HMT (2025) Proposed amendments to the [Money Laundering Regulations- draft SI and policy note](#)

⁵⁵ MHRA (2025) [Medicines and Medical Devices Act 2021 – Stakeholder survey - GOV.UK](#)

- Beginning in autumn 2025, MOD will run a series of targeted sprints to review the regulatory environment governing key capability areas, with a particular focus on those with the highest growth potential. The first of these will focus on Autonomous Systems.⁵⁶
- DBT will run a series of policy sprints across specific sectors to identify regulatory barriers which affect companies with innovative business models and high potential scale ups. This will look at regulatory mechanisms that may be unduly stifling innovation and healthy competition.
- The Government will also work with regulators to consider further measures to boost regulators' service capability for frontier businesses, including considering how to ensure regulators attract the best talent, including via pay.
- DESNZ will work in partnership with Ofgem to explore how the energy retail market can work better for consumers. This work is progressing to consider how the market can lower bills and support resilience, system transformation and growth.

Harnessing Innovation

We also recognise that both regulation and regulatory practices can enable innovation by providing market certainty for investors and innovators. That is why the Regulatory Innovation Office (RIO) was established in October 2024, with a guiding purpose to promote a pro-innovation regulatory system that enables new technologies to reach the market. In its first year, the RIO has engaged with over 40 regulators and 150 different businesses to unlock innovation pathways across:

- Drone regulation: Working with CAA to permit more drone flights in low-traffic areas and agreeing 6 further priority actions to be delivered within 2025 to support the growth of the sector.⁵⁷
- Novel food approval: Provided £3m of funding for the Food Standards Agency (FSA) in collaboration with the Engineering Biology Sandbox Fund, to safely halve approval times for the most innovative novel foods. We will be announcing the winners of round 2 of the Fund shortly.⁵⁸

⁵⁶ MOD (2025) [Defence Industrial Strategy: Making Defence an Engine for Growth](#)

⁵⁷ DSIT (2025) [Priorities for the CAA within the uncrewed aerial system \(UAS\) sector](#)

⁵⁸ DSIT (2025) [Engineering Biology Sandbox Fund - GOV.UK](#)

- AI: Worked with MHRA throughout the first phase of the AI Airlock regulatory sandbox, laying the groundwork for accelerated safe AI adoption in clinical settings.⁵⁹

The RIO has published a report which showcases its transformative achievements over its first year and sets out where the RIO goes further to remove regulatory barriers to innovation across priority areas of the economy and how businesses in those areas can make direct contact with the RIO.⁶⁰ The RIO is going further across government to enable innovation and enhance the UK's competitiveness.

On artificial intelligence in healthcare, the RIO is:

- Providing £1m to the MHRA via the fourth round of the Regulators' Pioneer Fund to pilot AI-assisted tools to support experts in scientific advice, clinical trial assessments and licensing to improve efficiency and consistency, while keeping all decisions in human hands.⁶¹
- Partnering with DHSC, the Office for Life Sciences, MHRA and the Academy of Medical Science to explore how the UK's regulatory environment can support safe and effective use of AI in drug development. As part of this, we are announcing new funding through the AI Capability Fund to the MHRA to develop an AI tool for validation of drug-drug interactions in cardiovascular patients and to pilot the use of synthetic data in clinical trials, accelerating safe access to new medicines.⁶²

On space, the Government has announced the following new commitments, following work between the CAA, DfT, DSIT, UK Space Agency (UKSA) and RIO:

- Over the next six months, CAA will work with HMG to explore with industry the potential of licensing operators rather than individual missions, and other options such as licensing constellations, that may achieve similar outcomes. The CAA aims to deliver a more flexible regulatory framework by early 2027.
- From the beginning of 2026, the CAA will publish key performance metrics, such as average licensing times, giving businesses clarity to inform business planning. They will also review and improve orbital licence terms, conditions, and reporting requirements, and publish clear licence templates for orbital activities.

⁵⁹ MHRA (2025) [AI Airlock: the regulatory sandbox for AIaMD - GOV.UK](#)

⁶⁰ RIO (2025), <https://www.gov.uk/government/organisations/regulatory-innovation-office>

⁶¹ DSIT (2025) [New funding for regulators to cut red tape, like speeding up clinical trials through AI and trialling drones for medical emergencies - GOV.UK](#)

⁶² DHSC (2025) [New Commission to help accelerate NHS use of AI - GOV.UK](#)

- The CAA will deliver a Discovery Project by January 2026, exploring options for update IT systems for licensing and monitoring applications from space operators, to help deliver greater efficiency, transparency, and responsiveness to industry.
- The RIO, DfT, DSIT, UKSA and HMT are exploring financial reforms, including to third-party liability limits and insurance requirements and licence application fees for orbital operations.
- The RIO will work with all relevant government departments, the devolved governments and regulators, including the CAA, to improve coordination on environmental information requirements for marine licensing across UK spaceports and launch activities, supporting increased UK launch capacity and reducing regulatory barriers for operators.

The RIO is also catalysing system-wide pro-innovation regulatory change through the Regulators' Pioneer Fund (RPF). Through round 4 of the RPF, the RIO has awarded £8.9m from October 2025 to regulators and local authorities.⁶³

In September 2025, the RIO also delivered a bespoke AI Capability Fund. This provided £3.6m for 8 regulator-led projects to deliver a series of novel projects that develop regulatory capability in AI, and to regulate the applications of AI.⁶⁴ To build on the projects delivered and support regulators to exploit the extraordinary opportunities AI offers, and to support more efficient and responsive regulation, we will host a hackathon in partnership with IBM in March 2026, this will bring together technical experts and regulators to facilitate the adoption of AI to improve the experience of innovators.

Commercial Drone Operations

The cumulative revenue generated through establishing a commercial drone operations is estimated to be between £20.3bn and £66.2bn over the course of the next quarter of a century.⁶⁵ In the UK's Modern Industrial Strategy, DfT committed to supporting the development of safe, secure and sustainable uncrewed aircraft systems, such as drones, through the Future of Flight Programme, which will deliver the regulation, technologies and infrastructure required to enable routine Beyond Visual Line of Sight (BVLOS) drone operations by 2027.

We recognise that although the UK is seen as a likely long-term market for drones and ranked third globally in its readiness for the next

⁶³ DSIT (2025) [Regulators' Pioneer Fund round 4 - GOV.UK](#)

⁶⁴ [DSIT \(2025\) Secretary of State Mansion House Speech](#)

⁶⁵ Frazer Nash Consultancy (2025), [Future of Flight Scenarios](#), <https://www.gov.uk/government/publications/future-of-flight-scenarios>

generation of aerial vehicles, we need to go further to ensure the UK features alongside China and the US as a hub for commercial drones operations.⁶⁶

That is why we are going further to remove barriers to scaling-up drone operations and to ensure that the UK is recognised by investors as a hub for commercial drone operations:

- Following close collaboration with HMT, DBT, DfT and the RIO, the CAA has published an investor-focused commercial road map for launching and growing drone operations in the UK, sending a clear message to industry that the Government is working with key regulators to align its frameworks, infrastructure and services to market needs.⁶⁷
- DBT is working with the RIO and the CAA to ensure that KPIs for drone regulation promote transparency and support business operations.
- In addition, as part of the AI Capability Fund, the RIO is funding the CAA to explore the use of AI tools to process UK Specific Operation Risk Assessments (SORA) applications quicker and more effectively.

DfT is working with the CAA to go further to remove friction within the regulatory environment, including by:

- Accelerating market access through mutual recognition of manufacturing requirements. DfT and the CAA are enabling transitional recognition of EU standards in the Open category until 1 January 2028 and exploring further measures for mutual recognition of flightworthiness in the Specific category with the EU.
- The CAA is streamlining the approval process for low-risk specific category operations, allowing for approvals with the majority of the process to be automated, requiring minimal administration.
- DfT has commissioned the British Standards Institution (BSI) to develop guidance for operators to facilitate compliance with higher-risk operations.
- The CAA has established a well-functioning process to check secondary regulatory approval under the dangerous goods policy. DfT has commissioned a report to map regulatory governance around Future of Flight use cases, to eliminate any remaining potential for friction across regulators.
- DfT and the CAA are committed to supporting local authorities by developing clear guidance and practical tools to help them

⁶⁶ KPMG (2024) [Air Taxi Readiness Index](#)

⁶⁷ CAA (2024) [Aviation regulator sets out plan to enable routine drone flights beyond line of sight | UK Civil Aviation Authority](#)

successfully integrate drones and future flight technologies into their local communities.

- The upcoming consultation on changes to the Air Navigation Directions and Guidance, planned for this autumn, will include measures in relation to environmental assessments of drone trials, including noise. This initiative aims to build the evidence base to support future policy development and will serve as a bridge before long-term policy on drone noise is established.

Co-ordinated, cross-government action is essential to unlocking the economic and societal rewards that drone operations can offer. As standards and technologies develop, HMT will continue to work with departments, regulators and industry to consider appropriate funding models for advancing airspace-related infrastructure, to support the safe and effective scaling of drone operations in the years ahead.

Harnessing the Benefits of Transformative Technological Change

The adoption of Transformative AI is the defining economic opportunity of the coming decade. The OECD estimates that AI (even with minimal capability improvements) could add 0.4 to 1.3 percentage points to the UK's labour productivity growth.⁶⁸ This is an opportunity the UK cannot afford to miss. Our economy has a particularly strong services sector. The productivity benefits for the UK in rapidly adopting AI are therefore bigger than other economies, but our reliance on these sectors make us particularly vulnerable to AI-driven foreign competition. This creates a window of opportunity for our companies to either adopt AI or potentially lose significant competitive advantage.

Today, across the whole economy, 60% of businesses responding to the Technology Adoption Review Evidence say that regulatory and policy obstacles are a barrier to AI adoption.⁶⁹ AI is the first technology that is truly autonomous and adaptive – but much of our regulation was designed before these capabilities existed. AI can make automated decisions; perform cognitive work previously exclusive to professionals; and operate in physical environments. Lots of our regulation is technology neutral and can still apply effectively – but not all. Some regulations needlessly assume activity will be undertaken by a person not an AI. Other regulations assume a product remains static and doesn't adapt.

To deliver our modern industrial strategy, we are delivering a dynamic mechanism to bridge this gap between innovation and regulation through:

⁶⁸ OECD (2025), [Macroeconomic productivity gains from Artificial Intelligence in G7 economies](#)

⁶⁹ HMG (2025), [Technology Adoption Review 2025](#)

- Consulting on establishing an AI Growth Lab, a pioneering cross-economy sandbox, enabling carefully supervised deployment of responsible AI applications that current regulation limits. The AI Growth Lab would enable cutting-edge AI products to be piloted within live market environments, with targeted regulatory modifications under close and careful supervision, including with sectoral regulators. Unlike many sandboxes which are limited to guidance and dialogue, the Government would consult on whether the Lab should possess statutory powers to temporarily modify or disapply specific regulations for qualifying participants.
- The Lab will support regulatory dynamism in the UK. Regulatory determinations on novel technologies can often take years, during which breakthrough applications remain frozen. The lab will accelerate this process and generate real-world evidence for regulatory changes. A collaborative approach between innovators, regulators and government will build and support the regulatory environment which transformative AI demands, while preserving public trust and building on the insights of existing industry initiatives and sandboxes.

As part of the business questionnaire launched today (*Unlocking Business: Reform Driven By You*)⁷⁰ we are also asking businesses to tell us where a regulatory sandbox approach would also be beneficial in other areas of the economy to address opportunities and challenges beyond AI, particularly in areas of new technology or rapid development.

⁷⁰ DBT (2025), [Unlocking Business: Reform Driven By You](#)

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This document can be downloaded from www.gov.uk

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