

## Growth Goals 26/27

# Contents

Civil Aviation Authority (CAA).....	1
Competition and Markets Authority (CMA).....	6
Environment Agency (EA) .....	9
Financial Conduct Authority (FCA) .....	14
Food Standards Agency (FSA).....	15
Health and Safety Executive (HSE).....	20
Information Commissioner’s Office (ICO) .....	26
Medicines and Healthcare products Regulatory Agency (MHRA) .....	27
National Institute for Health and Care Excellence (NICE).....	32
Natural England (NE) .....	37
Office of Communications (Ofcom) .....	41
Office of Gas and Electricity Markets (Ofgem).....	46
Office of Rail and Road (ORR) .....	52
Water Services Regulation Authority (Ofwat) .....	56
The Pensions Regulator (TPR).....	57
Prudential Regulation Authority (PRA) .....	64

## Civil Aviation Authority (CAA)

### **CAA1: Heathrow Expansion**

#### **Outcome Goal:**

For the CAA to have supported the delivery of runway expansion at Heathrow in line with the Government's objectives, and consistent with the CAA's statutory responsibilities.

#### **Key Results:**

During 2026/27, the CAA will publish:

- Draft decision on Heathrow expansion early costs by Spring 2026.
- A shortlist of Heathrow regulatory models by Spring 2026.
- Publish preferred Heathrow regulatory models in Summer 2026.

#### **Impact Narrative:**

The Government is currently developing its own impact assessment for a new runway at Heathrow and reviewing the Airports National Policy Statement with a commitment to consult on any required changes by Summer 2026. The CAA will develop and consult on regulatory arrangements that will support the delivery of expansion. The CAA will develop these proposals in a way that furthers the interests of consumers and seeks to meet the overall timetable set by Government.

This work will be critical to the expansion programme, having the potential to control the costs of expansion, ensure efficiency and service quality, reduce project delays, lower financing costs, and maintain the momentum of capital deployment. The expansion programme could enable significant investment in UK infrastructure, supporting up to 100,000 local jobs, and facilitating significant benefits for the aviation sector and wider supply chain.

### **CAA2: Routine BVLOS**

#### **Outcome Goal:**

The Future of Flight Programme has enabled routine Beyond Visual Line of Sight (BVLOS) operations for key Government priority use cases including the NHS, emergency services, infrastructure surveying and commercial delivery operations, with capability delivered iteratively between now and 2027/28.

#### **Key Results:**

During 2026/27 the CAA will enable:

- Atypical operations with multiple operators (such as multiple, consecutive, operations on the same length of railway). The CAA should expand the atypical air environments policy.
- Single operators to operate with less bespoke regulation and greater standardisation in complex urban environments (such as last mile delivery operations or between hospitals)
- Increasing integration of operations within specific areas of airspace
- Implementation of the Market Surveillance Authority for RPAS offering regulatory certainty and consumer confidence by end of 2026
- A significantly improved user experience for operators, underpinned by a more coherent interface with the industry. This should include clear end-to-end structures at the CAA that provide predictable and transparent timelines, unambiguous ownership of decisions and consistent expectations for applicants. A coordinated, cross-organisational approach to drone regulation and advisory functions that helps operators navigate requirements, maximises the likelihood of approvals, and supports the growth of a nascent sector. The approach should be informed by comparison with other regulators, including for example the US FAA's UAS Integration Office.
- Implement processes that enable drone operators to progress approvals more quickly and consistently. This should include the CAA developing options on mutual recognition of flightworthiness assessments, as well as advancing positions on key policy - working closely with industry - including on multiple simultaneous operations and actively testing the Light UAS Certificate with UK operators. In addition, with Government funding support, the CAA will deliver a package of improvements to SORA. All these measures should be regularly reported against, and I expect to see demonstrable progress against them within six months.

### **Impact Narrative:**

Routine BVLOS operation will allow the safe sharing of airspace between traditional aviation and drones, as well as flying over cities and infrastructure.

Drone use will fully unlock public benefits, including:

- Inspections of infrastructure such as railways, power lines and wind turbines
- Security inspections, such as perimeter inspections of large sites
- Deliveries including shopping, and medical supplies and tests
- Emergency assistance in remote locations

CAA and DfT analytics staff plan to work together to estimate productivity gains and demonstrate how BVLOS capability contributes directly to national growth and public service efficiency. Specific milestones will be developed and incorporated into grant agreements.

## **CAA3: eVTOL Integration**

### **Outcome Goal:**

The CAA has created the regulatory framework by the end of 2028 and enabled the operational systems that allow initial commercial passenger Advanced Air Mobility flights (AAM) in the UK.

### **Key Results:**

- During 26/27 the CAA will enable pathway trials to develop key policies on initial and continued airworthiness; pilot licensing; and AAM aerodromes.
- Alongside, and learning from these pathway trials, during 2026 the CAA will respond to its policy consultation on rulemaking, providing the emerging sector greater clarity on its approach.
- CAA will also provide to DfT by the end of 2026 its Opinion and Instruction Document for eVTOL, setting out the legislative changes it recommends DfT implement in 2027 to enable eVTOL operations by 2028.

Specific milestones will be developed and incorporated into grant agreements.

### **Impact Narrative:**

eVTOL, and other AAM technologies are revolutionising urban mobility and offering new transportation solutions. Increasing interest and investment in AAM technologies will require sustained action by the CAA to safely enable and integrate the capability inherent in these technologies. As the CAA moves to a more tailored mechanism, this will allow innovators to test new products where there is limited third party risk while providing a faster path towards commercialisation.

## **CAA4: Airspace Modernisation**

### **Outcome Goal:**

The next phase of Airspace Modernisation will proceed to deliver the priorities and timeframes set out in the department's 16 December 2025 letter<sup>1</sup> to NATS. This includes implementation of the UKADS, which will work towards a modernised airspace in the London region, which will also enable a third runway at Heathrow. We will also update and improve the regulatory framework for Airspace Change, enabling the regulator and sector drive forward modernisation activities in line with Government ambitions.

### **Key Results:**

Key enabling actions will be delivered during 2026/27, including:

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<sup>1</sup> [dft-letter-to-nats-on-prioritisation-20251215-redacted.pdf](#)

- Implement new Airspace Navigation Directions and Airspace Navigation Guidance in summer 2026, following consultation in late 2025;
- CAA to revise and implement a new Airspace Change Process (CAP1616) in summer 2026, following the consultation in late 2025.
- CAA to consult on mandating the use of Electronic Conspicuity technology in UK airspace and publish the results, which will be a key enabler to enable RPAS BVLOS operations in an integrated environment.
- Work through extended trials to establish RPAS noise criteria for future BAU operations

### **Impact Narrative:**

Airspace Modernisation is a key enabler of significant growth in the airspace capacity of the UK, enabling the third runway at Heathrow and facilitating both the Future of Flight programme and offering significant benefits to the traditional aviation sector. Without modernising UK airspace, the full economic benefits of expansion of airports will not be realised. It has the potential to grow passenger numbers significantly whilst optimising the environmental impact of expansion, though the impact will depend on market appetite. The precise benefits that accrue from this will depend on industry enacting the change that is enabled by this workstream.

### **CAA5: Space Flight Regulation**

#### **Outcome Goal:**

The CAA continues to support and enable the space sector by granting licenses ahead of technical readiness for both new technologies and operators as well as streamlining all processes with continuous improvement from learnings of deploying what are relatively new regulations which are not fully tested on all applications.

#### **Key Results:**

- In 2026/27 the CAA will be deploying new metrics to help the sector and regulator understand any potential pinch points in processes which could be addressed by applicants, the regulator, or the Government
- First vertical launch by the sector in 2026/27 will enable the full life cycle of a launch operator regulatory process to be completed and learned from for future launches by the operator from that site.
- Piloting approaches to achieve a more flexible regulatory regime for orbital operations where the legislation allows. This will include making use of monitoring intelligence to limit assessments for new applications from existing operators and licensing of constellations rather than individual satellite missions. This more flexible approach to licensing will have a major impact on reducing burdens on operators with multiple satellites, or satellites which will

undertake multiple missions, including in the future ISAM (In-space Servicing, Assembly, and Manufacturing).

- CAA will conclude the Rendezvous and Proximity Operations (RPO) Sandbox in April with draft guidance produced to support novel RPO missions in addition to continuing to deliver the Stage One Sandbox recommendations. These will ensure the regulatory regime is fit for purpose and easily accessible for new and existing operators of novel missions. (Goal shared with DSIT and the Consortium)

### **Impact Narrative:**

The space sector is a vital part of the UK economy, as well as being a huge opportunity for growth. In recent years, the UK has built a thriving space economy with end-to-end support for space enterprises from two space ports. We have a renowned science and technology sector, a strong talent pipeline, and leading satellite manufacturing and operations capabilities. The UK's space sector has a long and successful satellite history and continues to grow under the new space flight regime which will open up new economic opportunities in the coming years. A stable, effective and agile regulatory regime dedicated to supporting the industry's growth and protecting the public will present significant opportunities; the global space economy is projected to grow from an estimated £270 billion in 2019 to £490 billion by 2030.

### **CAA6: Enabling and adopting greater automation with AI**

#### **Outcome Goal:**

The CAA will integrate AI-enabled automation into identified priority regulatory and intelligence processes to enhance safety assurance and operational efficiency, while maintaining the high level of public trust in aviation. In parallel the CAA will continue to identify regulatory challenges associated with the adoption of AI across the sector, building on its established capability for enabling innovation, to ensure that AI adoption in aviation is safe and trustworthy.

#### **Key Results:**

- By Q2 2026, pilot AI-enabled automation in priority corporate and regulatory CAA functions, including: RPAS policy support; safety intelligence and policy development from Mandatory Occurrence Reports; faster examination question development; streamlining industry and consumer communications.
- Update the CAA's Technology Landscape and cross-regulatory understanding of AI by September 2026.
- By the end of 2026/27, support industry with proportionate initial regulatory guidance for AI in aviation, building on existing robust frameworks.

### **Impact Narrative:**

The emergence and rapid evolution of artificial intelligence technologies represent a step-change for the aerospace sector and the CAA as its regulator. The increasing use of AI-based systems, particularly leveraging machine learning techniques, across various aerospace domains poses opportunities coupled with unique challenges, including the global nature of the sector. The aviation industry continues to embrace the transformative power of AI. It already enhances safety and efficiency through predictive maintenance, aiding air traffic management, and refining pilot training with advanced insights and simulations. The future of AI will usher in a new era in aviation that the UK as a leading aerospace nation can be primed to enable.

## Competition and Markets Authority (CMA)

The CMA's purpose is to promote competition and protect consumers, with a clear end goal: driving economic growth and improving household prosperity. Its 2026–2029 Strategy and Annual Plan set out the objectives, actions and outcomes that support this aim. The government's Strategic Steer (May 2025) reinforces this focus, highlighting the role of competition and effective consumer protection in boosting innovation, productivity and investment, while maintaining the UK's reputation for proportionate and transparent regulation.

To support this, the CMA launched the 4Ps in 2024 - its most significant transformation programme to date - focused on pace, predictability, proportionality and process. These principles underpin delivery of the CMA's Strategy and are reflected in its Growth Goals. The CMA will also publish a strengthened set of performance metrics in its Annual Report and Accounts to demonstrate progress against these objectives, and the results of stakeholder surveys which test the impact of the 4Ps.

### **CMA1: Pace – make good decisions as quickly as possible**

For businesses directly affected by a CMA investigation or review, uncertainty and delay can have a chilling effect on decision-making and investment. The CMA must move as quickly as possible to get to the right outcomes. For example, in merger reviews, the CMA has already introduced new targets to reduce the length of our pre-notification period and our review of straightforward phase 1 cases.

#### **Further action the CMA is taking includes:**

- Across its tools, streamlining its approach and processes to focus in on the most important areas of interest early on.
- In its markets function, carefully selecting the appropriate tool at the outset, adopting the lightest-touch, fastest tool to effectively address particular issues.

### **CMA2: Predictability – provide clarity on the CMA's approach and expected outcomes**

Uncertainty can stall decision-making and weaken business and investor confidence. The CMA is committed to operating in a way that provides as much up-front certainty as possible – about its processes and approach, limits on its powers and the guiding principles that frame the outcomes it seeks to deliver.

#### **Further action the CMA is taking includes:**

- Across its tools, continuing to look for ways of providing as much certainty up front as possible, be that through guidance, roadmaps or other means.

- Further accessible materials to help businesses comply with new consumer protection rules, and taking cases that will promote legal certainty.

### **CMA3: Proportionality – ensure the CMA’s actions are balanced and targeted**

Burdensome interventions risk stifling innovation, so the CMA is committed to acting proportionately and minimising costs wherever possible. Proportionality also means prioritising issues that most directly affect UK citizens and businesses. Every choice the CMA makes on where to act and how to intervene must be clearly connected with a tangible, direct benefit for the UK.

#### **Further action the CMA is taking includes:**

- Implementing changes introduced in its revised merger remedies guidance published last year (widening scope for behavioural remedies, providing more clarity on when remedies can secure rivalry enhancing efficiencies, and facilitating earlier engagement with merger parties on remedies).
- Ensuring an effective and proportionate monitoring and enforcement regime, working closely with businesses subject to its remedies. The CMA will review a significant proportion of existing market remedies, in a bid to ease the burden on thousands of businesses.
- Before launching new markets work, carefully considering potential costs for businesses, as well as the benefits it might yield.
- Achieving the right suite of interventions across the competition enforcement regime, particularly considering speed to impact. This can range from fines imposed following a full administrative procedure, to warning and advisory letters, settlement or commitments (provided this can be done without sacrificing the overall deterrent impact of the regime).
- When dealing with issues also addressed by international counterparts in relation to digital markets and merger control, the CMA will consider whether interventions in other jurisdictions adequately and effectively address UK harms.

### **CMA4: Process – transforming the CMA’s engagement with key stakeholders across its functions**

Businesses and other stakeholders should have confidence in the CMA’s processes as transparent, streamlined, open, and consistent. Businesses should feel that they are treated fairly and consistently, regardless of the outcome of a CMA intervention. To achieve this, the CMA is transforming its approach to stakeholder engagement - offering more direct dialogue and targeted outreach with businesses, investors and consumer groups, as well as clearer and more accessible web content and guidance.

The CMA Growth and Investment Council (GIC) brings together leaders of many of the UK's major representative industry bodies, to ensure that its work is grounded in the commercial realities of business of all sizes. Its new Consumer Forum brings together consumer representative organisations to keep consumer perspectives at the heart of its work.

New stakeholder surveys this year have captured valuable feedback and perceptions and will be published in the summer.

**Further action the CMA is taking includes:**

- Being guided by the Mergers Charter, when engaging with parties during merger investigations. The CMA's Mergers Charter sets out clear principles and overarching expectations for how it will engage with businesses and their advisors during merger reviews, and what it expects from businesses in return.
- Underpinning markets casework with more active engagement with business (teach-ins, monthly meetings, progress reports) to better understand likely impacts on them at key decisions points, and ensuring there is clear point of contact for stakeholders.
- Offering direct dialogue with businesses and representative groups to help reduce uncertainty arising from the new consumer regime (particularly for SMEs), alongside clear and accessible guidance and broad communications and outreach programme.
- In digital markets, driving forward a 'go to you' approach, proactively offering a wide range of quick, straightforward opportunities for businesses to connect with it, alongside statutory processes.

## Environment Agency (EA)

**EA1: Reduce uncertainty and delays for Nationally Significant Infrastructure Projects and other Government Priority Projects while embedding strong environmental protections from the outset.** (Growth pillar: Investment, Infrastructure and Planning)

### **Key Results:**

- Lead Environmental Regulator (LER)
  - EA to act as LER for at least three pilot-phase projects: East-West Rail, Lighthouse Green Fuel and Sizewell C and feed into the LER evaluation by early 2027. The evaluation will assess how well the pilot met the LER's core aims, outlining what worked, what did not, and key lessons learned.
  - Identify and lead further projects for the LER scale-up phase.
  - Work alongside Defra to develop plans for wider rollout of the model.
- Embed a new governance framework for the most important projects, making effective use of the newly-established Defra Group Infrastructure Unit and Board to support nationally significant infrastructure schemes (currently 51 schemes at April 2026) that are critical for economic growth. Maintain responses to planning applications within the 21-day target, continuing to meet the 95% target throughout 2026.
- Continue to expand the use of investment (per increased SR25 funding) in the development of modernised, fit-for-purpose digital systems and enhancing digital services in 2026, including the roll out of Plan IT.
- Work with ONR and industry to support a rapid deployment of priority nuclear energy projects. By December 2026, the EA will:
  - embed the '[Ways of Working Principles](#)' to guide the application of ALARP (as low as reasonably practicable) to reduce risk and BAT (best available techniques) for environmental protection, and;
  - undertake a review of its nuclear regulatory guidance to enhance the primarily non-prescriptive regulatory system where necessary to drive proportionality within the nuclear sector.

### **Impact Narrative:**

This will directly support the government's mission to support sustainable growth. Throughout these approaches, EA will help the government to deliver its commitment to 1.5 million new homes, support informed decisions on more than 150 major infrastructure projects and advance the Clean Power 2030 Action Plan to boost homegrown clean energy and strengthen national energy security.

**EA2: Improve the permitting experience and delivery performance for major developments across all sectors to serve businesses, environmental**

**protection and communities.** (Growth pillar: Investment, Infrastructure and Planning)

**Key Results:**

- Deliver agreed case-specific requirements for all schemes and commitments signed up to EA's Priority Tracked Service, currently supporting 24 major projects in industries including energy, housing, and technology. Promote awareness of the service to developers and continue to meet demand for the service. The service allows applicants (often of multi-year, large or complex schemes) to access wrap-around co-ordination and progress tracking, expertise and support for the development of their projects from inception right through to the permit assessment.
- Deliver 95% of Category 1 permitting decisions within target timeframes in 2026-27.
- Deliver 85% of Category 2 permitting decisions within target timeframes in 2026-27.
- Deliver 80% of Category 3 permitting decisions within target timeframes in 2026-27.
- Deliver 75% of Category 4 permitting decisions within target timeframes in 2026-27.
- Continue to work towards further timeliness improvements to 95% across all permit categories by 2028-29.
- Continue to use the Accelerated Permitting Transformation programme to simplify and enable faster decision making across all sectors in a targeted way; continue to improve and digitise the permitting experience to increase efficiency for customers and continue to remove the backlog for the most complex permits.
- Continue to work towards the government commitment of a 25% reduction of administrative burdens on businesses, delivering savings, in part through reducing the permitting backlog and improving service levels.

**Impact Narrative:**

This will directly support the government's mission to support sustainable growth, as well as EA2030, which aims to create investment certainty and enable innovation through a more predictable, flexible and transparent regulatory environment.

**EA3: Work with the Water Delivery Taskforce to ensure sufficient water supply and wastewater capacity to support economic growth.** (Growth pillar: Place – with a focus on regional growth)

**Key Results:**

- Reduce number of water companies with projected supply-demand gaps by implementing the new Water Resource Management Plan (WRMP) Change Protocol in 2026 to facilitate alignment of water company plans with emerging growth projections.
- Increase visibility of water company performance, including through the implementation of the new WRMP performance metric in 2026, to enable effective delivery tracking by the Taskforce.
- Continue to provide timely data and evidence support to the Water Delivery Taskforce to enable effective identification and mitigation of water/wastewater capacity constraints throughout 2026.
- Escalation of planning objections to large developments to the Water Delivery Taskforce for intervention.

### **Impact Narrative:**

This will help ensure England's rivers, lakes, estuaries and seas are cleaner and healthier, with the gap between water supply and demand closing. The EA will help ensure the water industry delivers on its commitments to invest in infrastructure and deliver better outcomes for its customers and the environment. This will support regional growth by addressing capacity issues.

**EA4: Strengthen organisational and system capability and capacity to modernise processes and become a more digitally lean organisation.** (Growth pillar: Investment, Infrastructure and Planning)

### **Key Results:**

- Continue to embed AI throughout the organisation to increase regulatory capacity.
- Publish an internal, organisation-wide AI strategy by the end of 2026.
- Deliver three AI pilots that modernise core regulatory workflows by increasing capacity, reducing manual effort, and improving the speed, quality and consistency of permitting and guidance decisions, strengthening organisational capability to deliver timely approvals and support economic growth by Q3 2026/27. The pilots aim to reduce permit processing time, freeing up capacity to focus on more complex and higher value permits. The pilots are:
  - Copilot Pro for permitting efficiencies automates routine assessment tasks, increasing officer capacity and accelerating throughput for higher-value permitting decisions.
  - AI Assistant for sewage discharge and flood-risk permits automates key workflow steps in these permit types, enabling faster, more consistent case processing.

- AI Guidance Agent provides officers with rapid access to technical guidance and standardised calculations, strengthening the accuracy and consistency of permitting decisions.
- By Q4 2026/27, complete the digitisation of 22 external facing paper forms.
- Continue to take a broader commercial approach to ensure all of EA's technology suppliers and Software-as-a-Service providers have, or are developing, credible AI opportunities. This includes and allows for EA to streamline its own digital services using a variety of AI partners, to give the EA access to a wide range of innovative skills increasing flexibility, interoperability and resilience.

### **Impact Narrative:**

Through to 2030, EA will embrace change and new technology, investing significantly in IT and AI enabled systems to transform environmental monitoring, regulation, emergency response and casework.

**EA5: Prepare and consult on guidance on the application of updated Best Available Techniques (BAT) to combustion plants used for aggregated back-up power generation at data centres. [Recommend DSIT funding to move forward]. Further streamline within the existing framework for back-up power generation plants at data centres.** (Growth pillar: Place – with a focus on regional growth)

### **Key Results:**

- In 2026, develop and consult on guidance for interpretation of Best Available Techniques (BAT) for combustion plants installed to provide back-up power generation at data centres.
- Continue to work with Defra on implementation of reforms set out in the consultation on modernising environmental permitting for industry and energy sectors to help shape detailed proposals.
- Continue to gather evidence on data centre operators' ability to obtain a permit, and environmental and legal risks, maintaining support for this industry.

### **Impact Narrative:**

This will support the government's mission to support sustainable growth. It will help streamline permitting at data centres, support a more efficient permitting process and a better regulatory experience for industry.

**EA6: Ensure a proportionate approach to risk and stay focused on outcomes over processes.** (Growth pillar: Investment, Infrastructure and Planning)

**Key Results:**

- During 2026/27 work with the government to support the application of constrained discretion, as set out in the Strategic Policy Statement for the Environment Agency, including:
  - establishing governance of constrained discretion and risk management through pre-existing frameworks.
  - supporting decision-makers on the application of constrained discretion principles and confident and pragmatic risk management in practice.
  - evaluate decision-making and follow appropriate review processes, to ensure accountability.

**Impact Narrative:**

Consistent application of constrained discretion, as set out in the Strategic Policy Statement for the Environment Agency, ensures advice and decisions align with Defra and wider government priorities. It will also enable a joined-up and placed based approach, which supports innovation and regional growth.

## Financial Conduct Authority (FCA)

The Financial Services and Markets Act 2023 gave the Financial Conduct Authority (FCA) a statutory objective to facilitate the international competitiveness of the UK economy and its medium to long-term growth, similar to the strengthened Growth Duty legal framework proposed for other major regulators in the King's Speech.

Under the Financial Services and Markets Act 2000, the Treasury is required to write to the FCA at least once per Parliament to set out aspects of the Government's economic policy to which the FCA must have regard to. Most recently, the [Chancellor's 2024 letter of recommendation](#), set out how the regulator is expected to support the government's Growth Mission. The FCA must respond within a year, and annually thereafter, setting out the action it has taken or plans to take in response, or explaining why it has not acted. The FCA has responded to this remit letter in [2024](#) and [2025](#). For example, the FCA has reformed prospectus rules to lower costs for businesses raising capital and help companies list more quickly on the stock exchange.

The FCA is also subject to clear accountability arrangements, including reporting annually on how it is advancing its objectives with standalone reports on its growth and competitiveness objective. In addition, the Economic Secretary to the Treasury holds biannual performance reviews with the Chief Executive. Together, these arrangements ensure that the FCA has clarity from government on its role in delivering the government's Growth Mission.

## Food Standards Agency (FSA)

**FSA1:** Support delivery of sanitary and phytosanitary (SPS) agreement with the EU to maintain food standards and safety and remove trade barriers

### **Outcome Goal:**

Support delivery of the government's commitment to secure and implement an SPS agreement with the EU by mid-2027 to maintain food standards and safety while removing barriers to trade

### **Key result:**

The FSA will aim to have made the necessary operational and policy changes to deliver dynamic alignment<sup>2</sup> by mid-2027, while maintaining food and feed safety.

This includes delivery of food safety and standards legislation. This is all of the legislation within the FSA's remit, including around 80 pieces of legislation out of approximately 500 that will be affected by the SPS agreement. This will remove trade barriers with the EU on agri-food areas of trade.

The FSA's work should also lead to businesses being aware of the impacts of the agreement and ready to implement changes. The FSA will support cross-government efforts to ensure businesses across the UK understand how the agreement will impact them.

### **Impact Narrative:**

The FSA's core function of maintaining a regulatory framework for food safety and standards already [facilitates exports worth over £24 billion a year](#). The Department for Business and Trade (DBT) has estimated that the [SPS agreement could add up to £5.1 billion to the UK economy each year](#).

The FSA will play a substantial role in the cross-government programme to deliver legislative realignment and to support business readiness, which is critical to bringing benefits to the UK economy.

## **FSA2: national approach to regulation for large food businesses in England**

### **Outcome Goal:**

Develop a new national approach to regulation for large food businesses in England.

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<sup>2</sup> Dynamic alignment between countries' regulations refers to the principle that parties to a trade agreement maintain equivalent regulatory standards to each other.

## **Key Results:**

The FSA will deliver an effective, resilient and trusted regulatory system that is fit for the future. This will ensure that food is safe and what it says it is, reducing unnecessary burdens and keeping consumers safe.

The FSA will aim to:

- **By end of June 2026:**
  - develop a detailed workplan for the programme, outlining a path towards delivering a national approach to regulation as part of wider programme of reforms. An update on the progress of the programme was published in the [FSA chief executive's report to the board in June 2026](#)
  - complete an intensive round of stakeholder engagement with sector representatives on design choices for high level frameworks and understand the implications of changing the current system
- **By end of July 2026:**
  - establish technical working groups and advisory committees, comprising sector representatives, to commence detailed policy design and development
- **By end of September 2026:**
  - report back to the FSA board through a published paper on progress towards detailed design frameworks and legislative development following an extensive programme of stakeholder engagement
- **By March 2027:**
  - develop and publish in a board paper detailed proposals for the FSA board on planned options for a new national approach to regulation for consultation in 2027

## **Impact Narrative:**

This supports the Chancellor's commitment to deliver regulation in a proportionate way that reduces the administrative burden of regulation on businesses. Subject to further policy development work, we currently expect that these reforms are likely to require primary and secondary legislation. Using centralised data and streamlined processes, it will ensure the sector and consumers can benefit from modern, efficient and effective regulation which:

- supports growth
- reduces unnecessary burdens
- keeps consumers safe

## **FSA3: deliver a regulatory sandbox programme for cell-cultivated products**

### **Outcome Goal:**

Supporting businesses in bringing forward new and innovative products through clear regulation.

**Key Result:**

The FSA will aim to deliver a regulatory programme (known as a sandbox) for cell-cultivated products (CCPs), from February 2025 to February 2027.

This sandbox enables the FSA and Food Standards Scotland to work with industry, academic bodies and other experts to gather knowledge about these new-to-market products to inform the regulatory approach. A full list of 8 industry representatives, 3 academic bodies, and 2 trade bodies was published in the [FSA's Business Committee Paper March 2025](#) (archived).

The sandbox outcome will be that, by February 2027, the CCP industry has a clearer understanding of what information they need to provide to achieve regulatory approval. This will be delivered through a new business support service and the publication of bespoke industry advice.

The overall key performance indicators (KPIs) for the programme are:

- industry understands and can use the guidance to inform their decisions about what data to include in safety dossiers
- enhanced engagement with prospective applicants and current applicants compared to pre-sandbox
- guidance published regularly about common safety hazards and tests companies need to conduct to generate data to prove mitigation
- published positions on important policy questions - considered and agreed on a 4-nation basis
- increased clarity about regulatory process to improve investor confidence

**Impact Narrative:**

Oxford Economics estimates that CCPs could contribute up to £2.1 billion to the UK economy by 2030. The FSA's work will help to:

- attract investment in Great Britain through innovative food products
- enhance Great Britain's role as a global leader in food safety regulation

**FSA4: using modern technology and AI approaches**

**Outcome Goal:**

Use modern technology and intelligence-led approaches, including artificial intelligence (AI), to strengthen the delivery of official controls, core regulatory responsibilities and food incident management, focusing regulatory effort where risks

to consumers are greatest, while supporting the safe and appropriate use of AI by food businesses.

### **Key Results:**

The FSA will aim to:

- by September 2026 - pilot AI-enabled tools within priority official controls, audit and food incident management activities to improve risk assessment, intelligence analysis, evidence handling and reporting. Benefits include:
  - stronger use of intelligence to identify emerging risks
  - a faster, more consistent incident response
- by December 2026 - replace manual, duplicate handling of incident, inspection and intelligence data with AI-assisted workflows that automatically capture, validate and share information in real time, enabling regulators to focus effort where risk is highest. Benefits include:
  - better targeted and more consistent regulatory activity
  - reduced unnecessary burden on compliant businesses
  - improved speed and effectiveness of consumer protection
- by March 2027 - evidence improved regulatory outcomes through enhanced risk prioritisation, including quicker identification and management of food incidents and more effective and timely food recalls. Benefits include:
  - reduced consumer harm
  - increased confidence in the safety of the food system

### **Impact Narrative:**

The FSA will work with partner safety regulators to ensure that regulatory approaches keep pace with technological change in the food system, supporting innovation for the UK operating within the global food system, while maintaining strong protections for consumers. A shared approach to the use of AI and AI-generated data will provide consistency for businesses, minimise friction dealing with the regulation and underpin trusted, evidence-based regulation.

Within the FSA, greater use of AI will strengthen risk assessment, intelligence gathering and decision-making across official controls and food incident management. By improving the quality, timeliness and use of regulatory data, the FSA will be better equipped to anticipate emerging risks, respond rapidly to incidents and focus regulatory effort where it has the greatest impact. This will deliver clearer regulatory expectations for industry and better outcomes for consumers, for example faster and more effective food recalls.

Full implementation and scaling will be dependent upon the feedback from the pilot.

## **FSA5: Healthier Food Targets and Reporting**

### **Outcome Goal:**

Support the delivery of government priorities in the [10 Year Health Plan](#) to ensure access to safe, healthier and sustainable food.

### **Key result:**

A key result of this DHSC policy will be the introduction of a mandatory reporting scheme and targets for some businesses. Healthier food reporting intends to drive positive change across the sector by generating accessible, reliable and comparable information, so that government, industry, and consumers have a clear picture of what is being sold and how healthy products are.

Healthier food targets aim to improve the healthiness of sales. Depending on funding, the FSA's role would be to input and advise on enforcement elements of the scheme. Subject to DHSC-led legislation and public consultation, the FSA may subsequently be responsible for regulating the scheme.

### **Impact Narrative:**

Overweight and obesity, along with poor diet, are major risk factors for serious and long-term diseases. They cost the UK economy up to £30.8 billion per year and 0.5% to 1.2% of gross domestic product (GDP) through reduced productivity and labour supply. Healthier food targets and reporting will increase transparency in the food sector, helping to:

- ensure a fair and consistent approach across the food sector
- encourage a healthier food environment

These policies support the shift from treatment to prevention envisaged in the 10 Year Health Plan, to:

- reduce long-term pressure on the NHS
- improve workforce participation and productivity

## Health and Safety Executive (HSE)

In March 2025, the government set out its vision for overhauling the regulatory landscape so that it not only protects consumers but also supports competition and encourages growth.

At the Regional Investment Summit in October, the Chancellor gave an update on delivery of the Regulation Action Plan, setting out the progress made and where the government would go further and faster. As part of this, the government announced that it would ensure key regulators had clear direction on how they can support its overriding mission to deliver economic growth. This commitment sat alongside the announcement that the existing Growth Duty would be strengthened.

Departments have since been developing outcome-focused Growth Goals, where no equivalent framework already exists, to provide regulators with a structured set of priorities that clarify how their actions should support economic growth. These goals are designed to be measurable, with specific key results to enable progress tracking, and accompanied by an impact narrative explaining how regulators' actions are expected to drive economic growth.

This sets out the Growth Goals which DWP is issuing to HSE.

### **HSE1: Enabling use of innovative technologies:**

#### **Outcome Goal:**

Increase stakeholder understanding of HSE's regulatory framework for artificial intelligence (AI) and robotics and autonomous systems (RAS).

Investment, innovation, and productivity are vital to economic growth, and HSE is working proactively to enable safe AI and RAS innovation. HSE's risk-based, proportionate, and goal-setting regulatory approach supports both robust protection of people and places and the safe deployment of emerging technologies.

It has been reported that industry faces uncertainty in navigating and interpreting existing regulations for AI and RAS. This ambiguity can deter investment and delay deployment. HSE will therefore work to clarify regulatory expectations, support safe development of new technologies, and provide greater certainty to dutyholders regarding health and safety requirements.

#### **Key Results:**

During 2026/2027, HSE will:

- Provide clarity on how health and safety regulation applies to AI and RAS, through the development and publication of new guidance and content on the HSE website.

- Contribute to the development of benchmarks that support the appropriate deployment of AI and RAS, including participation in international standards development and collaboration with industry stakeholders on AI and RAS safety approaches.
- Support DBT officials in their deep dive on health and safety regulation, working with industry to identify opportunities to reduce administrative burdens on businesses while maintaining strong health and safety protections.

### **Impact Narrative:**

Clear and predictable regulation will make it easier for businesses to invest in and safely use AI and RAS technologies. By giving practical guidance and working closely with industry and international partners, HSE will help businesses develop and adopt new technologies safely and with confidence. This will support innovation and economic growth while keeping strong protections in place for workers and the public.

### **HSE2: A more agile chemicals regulatory system**

#### **Outcome goal:**

A chemicals regulatory system that processes decisions more quickly, providing increased regulatory certainty to industry and fostering a stronger environment for innovation.

A more agile chemicals regulatory system will create a predictable, streamlined, and responsive framework that supports innovation while maintaining high levels of health and environmental protection. These reforms are expected to provide greater regulatory certainty and stimulate growth in a key sector of the UK economy.

#### **Key Results:**

During 2026/2027, HSE will lay a statutory instrument to amend regulations. These changes will create a more agile chemicals regulatory system that:

- Halves the time taken for the majority of chemicals to pass through a fast-track process, reducing delivery times for mandatory classifications by 6 months by 2027.
- Puts in place provisions for biocidal substances essential for public health, animal health, and environmental protection by 2027
- Streamlines the UK's international obligations on the import and export of chemicals, including removal of unnecessary regulatory burdens by 2027. This will help tackle issues such as rodent damage (estimated at £84m per year) and water-borne diseases (estimated at around £3bn per year).

### **KPIs:**

For Classification, Labelling and Packaging (CLP), HSE will aim to:

- Publish 90% of technical reports within 6 months of an opinion published by another territory; or within 12 months of a mandatory classification and labelling (MCL) proposal being completed or received by the Agency.

### **Impact Narrative:**

A more agile, proportionate chemicals regulatory system will speed up decisions, offer greater predictability, and give industry the confidence to plan ahead and bring products to market more efficiently, while keeping robust protections in place. Improved regulatory certainty will support growth and innovation across this key growth sector.

## **HSE3: Enabling Net Zero industries- Carbon Capture**

### **Outcome goal:**

Growth in numbers of businesses being regulated under new CCUS regs

HSE will support the safe innovation necessary to prevent major incidents while helping enable the UK's transition to net zero. A key area of focus is reviewing and shaping the regulatory regime for carbon capture, utilisation and storage. HSE will help facilitate growth of this emerging sector by providing clear and consistent health and safety expectations, improving industry and investor confidence in the UK market, and reducing barriers to the deployment of capital.

### **Key Results:**

During 2026/2027, HSE will introduce legal requirements:

- To bring the pipeline transport and offshore storage elements of the CCUS process within scope of pipeline and offshore major hazard regulations
- To bring the offshore production of hydrogen within scope of offshore major hazard regulations.
- To regularise requirements for operators to provide appropriate transport, accommodation, and subsistence for inspectors visiting offshore wind installations, ensuring consistency with requirements already applied to other offshore installations.

These legislative changes will provide clarity and certainty for dutyholders, and align with the approach operators have indicated they consider suitable to manage CCUS and hydrogen operations appropriately and the certainty will enable wider growth of both emerging sectors.

### **Impact Narrative:**

Clear, modernised legal requirements will give industry greater confidence, support safe innovation, and help accelerate the development of CCUS and hydrogen technologies. By making regulatory frameworks more aligned, predictable, and fit for purpose, HSE will reduce uncertainty for investors and operators, support the safe delivery of major new infrastructure, and help drive sustainable growth in emerging low carbon industries.

#### **HSE4: Enabling Net Zero industries- Fusion:**

##### **Outcome Goal:**

HSE will implement the proportionate regulatory approach for fusion under the Health and Safety at Work Act framework including measures to improve stakeholder understanding of regulatory processes.

Fusion energy is a key subsector of the Government's Industrial Strategy, with the UK setting global precedent for proportionate fusion regulation when confirming that HSE, rather than the Office for Nuclear Regulation (ONR), would be the regulator.

HSE will help facilitate growth in this emerging sector by providing certainty to dutyholders on the health and safety requirements, thus improving industry and investor confidence in the UK and reducing a barrier to deployment of capital.

##### **Key Results:**

During 2026/27 HSE will:

- Finalise options on an internal approach to fusion regulation, building on its radiological protection regulations, learning from other industries and sectors, and broader engagement.
- Support DESNZ in their goal of publishing a regulatory roadmap by Summer 2026 to provide industry clarity on, alongside other regulators, HSE vires and regulation.
- By Summer 2026, working with the Environment Agency, publish a formalised initial engagement process. This will facilitate developers engaging with relevant regulators, helping to ensure regulatory certainty and mutual understanding, and therefore derisking the regulatory process. HSE will also collaborate with the Environment Agency on multi-dutyholder engagement events to support the wider fusion industry in its health and safety considerations.
- Facilitate harmonisation of fusion regulation internationally around a proportionate approach to improve the UK's fusion export potential and support the highest standards of safety globally. This includes bilateral engagement with key fusion partners where appropriate and multilateral fora such as the IAEA.

- Build capacity and capability to be able to deliver these goals and implement the proportionate regulatory framework for fusion under the Health and Safety at Work Act 1974 including measures to improve stakeholder understanding of the regulatory processes.

### **Impact Narrative:**

A clear, proportionate regulatory framework for fusion will give investors and developers greater certainty, helping the sector grow safely and confidently as it moves toward Net Zero. By setting out clear engagement routes, clarifying responsibilities, and contributing to international alignment, HSE will help the UK's fusion industry innovate and attract investment, while maintaining strong protections for workers and the public.

### **HSE5: Reducing administrative burdens, including by improving access to key health and safety information:**

#### **Outcome Goal:**

Deliver a programme of digital improvements that reduce burdens on business and support proportionate, risk-based compliance

Alongside its commitment to reduce the overall costs of work-related ill-health to society, HSE is supporting the delivery of the Prime Minister's whole of government target to reduce the administrative costs of regulation by 25% by the end of the Parliament. Since January 2026, HSE has worked closely with the Department for Business and Trade to identify opportunities to reduce administrative burdens while ensuring high standards are maintained.

HSE regulates across a diverse range of disciplines and workplaces, from standard construction sites to complex chemical plants requiring formal approval processes. Its website reflects this breadth and receives over 20 million tracked page views each year. It remains HSE's primary communication channel for delivering user-focused, free advice and guidance on health and safety law to help prevent workplace death, injury and ill health.

#### **Digital improvement programme:**

HSE will undertake a vast programme of work to improve and streamline its website.

Work to date has included:

- creating more user-centric webpage guidance on health and safety topics
- removing and archiving out-of-date content and guidance to declutter and focus businesses on the most useful information.
- implementing a more accessible, modern design for our webpages making them easier to navigate

Evaluation of these early improvements shows that users are more engaged with HSE guidance, report higher usefulness ratings, and are able to find information more quickly and easily. This is saving business users time and, potentially, the cost of external advice, enabling them to better manage health and safety themselves.

### **Key Results for 2026/27:**

During 2026/27, HSE will:

- Continue to reduce the overall volume of content and guidance on our website, focusing business on the guidance they need and reducing the time spent searching for it, demonstrating business cost savings and improving user-reported usefulness by 5%pts against a baseline of 70%
- Participate in a Department for Business and Trade pilot scheme to apply an Open Regulation Document Standard (ORDS) on expert HSE regulatory guidance that would help reduce the time it takes for dutyholders to search, find and integrate into their systems of work the most accurate, up to date health and safety guidance.

### **Impact Narrative:**

Improving access to clear health and safety guidance will make it quicker and easier for businesses to understand their responsibilities, reducing unnecessary administrative effort and enabling more proportionate compliance.

By modernising and simplifying HSE's digital information, businesses can focus on the actions that genuinely matter instead of spending time, or relying on paid external consultancy to find or interpret guidance.

## Information Commissioner's Office (ICO)

Following changes brought in via the Data (Use and Access) Act 2025, the ICO will soon become the Information Commission and will set out in its new strategy how it will deliver its objectives and duties, including its contribution to growth. The government will continue to engage with the new Information Commission on how it can drive economic growth as it establishes itself including agreeing growth goals with the regulator in due course.

# Medicines and Healthcare products Regulatory Agency (MHRA)

In March 2025, the government set out in the Regulation Action Plan its vision for overhauling the regulatory landscape so that it:

- protects consumers
- supports competition
- encourages growth

At the Regional Investment Summit in October 2025, the Chancellor gave an update on delivery of the Regulation Action Plan, setting out the progress made and where the government would go further and faster. As part of this, the government announced that it would ensure the 'key regulators' (the 16 regulators named in the plan) had clear direction on how they can support its overriding mission to deliver economic growth. This commitment sat alongside the announcement that the existing Growth Duty would be strengthened.

Government departments have since been developing outcome-focused growth goals, where no equivalent framework already exists. These goals provide regulators with a structured set of priorities that clarify how their actions should support economic growth. They are designed to be measurable, with specific results to enable progress tracking, and accompanied by an 'impact narrative', which explains how regulators' actions are expected to encourage economic growth.

This document sets out the growth goals that the Department of Health and Social Care has agreed with the Medicines and Healthcare products Regulatory Agency (MHRA).

## **MHRA1: assure pace, reliability and clarity in regulatory decision-making**

### **Outcome Goal**

This goal will improve the speed and predictability of approvals for new products, ensuring that:

- 95% of medicines licensing decisions through the national route are determined within 210 days
- the assessment timelines for clinical trial initial applications are:
  - up to 30 calendar days for non-notifiable trials
  - 35 calendar days for modification applications without requests for further information

MHRA will do this by increasing regulatory capacity, modernising processes and improving their engagement with industry.

### **Key Results**

MHRA will achieve the following results:

- by September 2026, MHRA will launch the new MHRA 2030 strategy, setting out how it will continue to meet and exceed the high performance standards set in its key performance indicators (KPIs) and regularly publish a new, more detailed performance dashboard
- through its aligned pathway with the National Institute for Health and Care Excellence (NICE), launched in early 2026, MHRA will ensure that the average time between MHRA approval and NICE guidance for medicines is reduced by 3 to 6 months, enabling same-time regulatory and health technology appraisal decisions
- by April 2027, MHRA will have implemented a major package of regulatory reforms for medical technologies that will include indefinite recognition of CE marking for medical devices (subject to consultation), the publication of new pre-market regulations for medical technologies and increase international reliance and recognition. Working with approved bodies, MHRA will explore how the domestic route can be a fast, safe and trusted route to market for innovative products
- by the end of 2026, a stepwise approach will be adopted for the first review of phase 1 clinical trial applications, aiming to complete the assessment within 14 days
- by September 2026, MHRA will have completed the alpha phase of the first 3 tools of the artificial intelligence (AI) for Regulatory Insights, Safety and Efficiency (ARISE) programme, to streamline regulatory processes using AI
- by May 2027, MHRA will complete the next phase of the Improving Patient Information project, working towards reforms that may include replacing paper information about products it regulates with structured digital content
- MHRA will use its year chairing the international Access Consortium of regulator organisations in 2026 to focus on supporting greater alignment of regulatory processes

### **Impact Narrative**

Faster, risk-proportionate and predictable regulatory routes will optimise access and uptake of innovative medicines and medical devices, positioning the UK as an attractive market for launching products. MHRA will:

- provide a consistently reliable and robust service for innovators bringing safe and effective products to market
- make the UK a great place to conduct clinical trials
- increase UK patients' access to ground-breaking healthcare products

### **MHRA2: encourage regulatory innovation to streamline patient access**

#### **Outcome Goal**

This goal will expand and strengthen MHRA's pathways for innovative products so that more products built on novel technologies can move from early development through to UK regulatory approval. This will ensure that UK patients are among the first in the world to benefit from rapid access to safe and effective new products.

### **Key Results**

MHRA will achieve the following results:

- MHRA will make the use of sandboxes for essential technologies a core part of its regulatory process. A sandbox is a regulator-monitored controlled environment for developers to generate robust evidence for their innovation
- MHRA will continue its major programme of clinical trials reform, with new regulations coming into force from April 2026 to streamline application processes. By April 2027, MHRA will have developed and started the implementation of the clinical trial lifecycle package to reduce the regulatory burden across all phases of clinical trial submissions
- by April 2027, MHRA will publish a draft framework, run a consultation and plan for the implementation of the new rare diseases regulatory pathway to provide routes for very small patient populations to access life-changing new therapies
- by September 2026, MHRA will launch a new early access service for medical technologies
- by April 2027, MHRA will run 100% of requested innovation surgeries supporting small and medium-sized enterprises and academics at an early stage of development, to help optimise their route through the regulatory system
- by April 2027, MHRA will run at least 4 regional 'innovation accelerator' events per year
- by April 2027, MHRA will complete at least 3 enabling assessments of emerging technologies - these will include deep dives, mapping, gap analysis and recommended actions for MHRA

### **Impact Narrative**

Through continued regulatory innovation, MHRA will help position the UK as an attractive jurisdiction to develop and launch new products. This will:

- attract research and development (R&D) investment
- support the growth of the UK life sciences sector
- provide industry with certainty when planning investment

This will contribute to economic growth and improved household incomes through increased economic activity and improved health outcomes.

## **MHRA3: reform the regulatory framework to position the UK as a world leader in healthcare AI regulation**

### **Outcome Goal**

MHRA will develop and launch a new regulatory framework that makes the UK the best environment to develop and launch AI for healthcare, in addition to the medical technology ('medtech') reforms committed to in goal 1. Once implemented, MHRA will monitor its success through the number of AI medical devices being brought through domestic routes or reaching the UK market through international reliance routes.

### **Key Results**

We will achieve the following results:

- in spring 2026, MHRA will consider and issue any necessary clarifying guidance on the regulation of ambient voice technology and other priority AI categories for the NHS
- in summer 2026, the National Commission into the Regulation of AI in Healthcare will issue its report on recommended changes to the regulatory framework for AI in healthcare
- by September 2026, MHRA will respond to the commission's recommendations and begin operationalising the updated regulatory framework, with full implementation in 2027 subject to any required legislation
- by April 2027, MHRA will refresh the [AI Airlock](#) strategy for its next phase including support for new product categories like agentic AI. Agentic AI refers to AI systems composed of agents that can behave and interact autonomously to achieve their objectives
- by April 2027, subject to the implementation of the new pre-market regulation, MHRA will begin tracking the number of AI and software-based medical devices entering the UK market through UK Conformity Assessed (UKCA) routes as a measure of the UK's attractiveness for healthcare AI innovation
- MHRA will work with international regulators to implement recognition and reliance agreements for healthcare AI, allowing UK medtech companies to sell directly into global markets

### **Impact Narrative**

This goal will directly support the ambition of the [10 Year Health Plan](#) to make the NHS the most AI-enabled health system in the world, increasing productivity and quality of care in the NHS. It will also support delivery of the [Life Sciences Sector Plan](#) by strengthening the UK's regulatory environment for healthcare AI and providing greater certainty for innovators and investors.

By ensuring fast, safe and trusted adoption of AI, MHRA will also encourage investment in the UK's healthcare AI sector. By bringing clarity to the [framework for AI as a medical device](#), MHRA will not only support the device industry's growth, but also that of related software, such as administrative and direct to consumer products.

## National Institute for Health and Care Excellence (NICE)

In March 2025, the government set out in the [Regulation Action Plan](#) its vision for overhauling the regulatory landscape so that it:

- protects consumers
- supports competition
- encourages growth

At the Regional Investment Summit in October 2025, the Chancellor gave an update on delivery of the Regulation Action Plan, setting out the progress made and where the government would go further and faster. As part of this, the government announced that it would ensure the ‘key regulators’ (the 16 regulators named in the plan) had clear direction on how they can support its overriding mission to deliver economic growth. This commitment sat alongside the announcement that the existing Growth Duty would be strengthened.

Government departments have since been developing outcome-focused growth goals, where no equivalent framework already exists. These goals provide regulators with a structured set of priorities that clarify how their actions should support economic growth. They are designed to be measurable, with specific results to enable progress tracking, and accompanied by an ‘impact narrative’, which explains how regulators’ actions are expected to encourage economic growth.

This document sets out the growth goals that the Department of Health and Social Care (DHSC) has agreed with the National Institute for Health and Care Excellence (NICE), consistent with its statutory role and independence.

The government and NICE agree that NICE supports economic growth. It does this by helping the health and care system adopt effective new treatments quickly and consistently, while making sure they offer value for taxpayers. This reflects NICE’s role, which includes supporting innovation in the provision of health services and social care in England.

### **NICE1: Accelerate and streamline NICE’s Health Technology Assessment (HTA) processes to support earlier market entry**

#### **Outcome Goal:**

Reduce the time it takes to get clinically and cost-effective medicines and health technologies (‘health tech’) into the NHS and make timely updates to NICE’s assessment methods to reflect the latest evidence.

#### **Key Results:**

NICE will aim to achieve the following results:

- faster, more predictable evaluations of health technologies, completing 60% of technology appraisals for medicines within 240 working days of invitation to participate (ITP), for new topics started from April 2025 (up from 40% for appraisals in financial year 2024 to 2025)
- evaluate the first 2 technologies through the [National HealthTech Access Programme](#) and publish final guidance in quarter 1 (Q1) of financial year 2027 to 2028. The programme will provide industry with a clear route to NHS funding and will result in routine adoption by the NHS if recommended by NICE

### **Impact Narrative:**

Predictable, timely appraisals reduce commercial uncertainty, encouraging companies to prioritise the UK for launches and investment.

Consistent adoption and reimbursement of medical technologies incentivise investment in the UK, particularly for small and medium-sized enterprises (SMEs) that make up the large majority (85%) of the health tech sector.

### **NICE2: Adopt a “Whole Lifecycle Approach” to guidance production**

#### **Outcome Goal:**

Re-evaluate clinical pathways guided by the latest evidence, to maximise patient outcomes, value and to create financial ‘headroom’ for innovation.

#### **Key Results:**

NICE will aim to achieve the following results:

- consider all 521 current technology appraisals for incorporation into NICE’s clinical guidelines by January 2027. This will ensure that everything NICE recommends for a condition can be found in one place, supporting adoption by clinical users
- adopt a rolling programme of updating guidance in priority clinical areas to ensure recommendations continue to reflect best practice, and improving how information is presented in pathways with multiple treatment options to guide the efficient use of innovations.
- develop a test solution to retire guidelines that are no longer up to date by the end of 2026
- review existing guidance for medicines to assess whether eligible patient populations can be expanded where generic (non-branded) medicines or

biosimilars become available. A biosimilar is a biological medicine that has been shown not to have any clinically meaningful differences from an already approved biological medicine, in terms of quality, safety and efficacy

**Impact Narrative:**

NICE guidance will be kept up to date to reflect the latest best practice. This will improve patient outcomes and remove inefficient spending to free NHS budgetary headroom for innovative products.

Improving the ease of adoption of NICE guidance by clinical users will help to increase uptake for new technologies.

**NICE3: Improve process alignment between MHRA and NICE**

**Outcome Goal:**

Deepen integration with the Medicines and Healthcare products Regulatory Agency (MHRA) to reduce time-to-market for innovative products.

**Key Results:**

NICE will aim to achieve the following results:

- aim to reduce the average time between MHRA approval and NICE guidance for medicines by at least 3 months, with a stretch goal of 6 months, following the implementation of the parallel regulatory and HTA assessment for suitable products on 1 April 2026
- strengthen information sharing between technical experts to reduce duplication

**Impact Narrative:**

A seamless end-to-end regulatory and HTA pathway differentiates the UK internationally, supporting inward investment, clinical trials activity and earlier commercialisation.

Joined up processes enabled by data-sharing and collaboration between NICE and MHRA will also result in reduced administrative costs for industry. The integrated advice service will reduce uncertainties regarding evidence requirements, help companies avoid unforeseen delays and make further efficiencies that will support the life sciences sector.

Improving the predictability of regulatory processes will position the UK as an attractive and reliable launch market.

## **NICE4: assessment and incorporation of artificial intelligence (AI)**

### **Outcome Goal:**

Maintain NICE's scientific leadership in responsible use of AI in health technology evaluations, guideline development and internal processes.

### **Key Results:**

NICE will aim to achieve the following results:

- stimulate productivity in the medicines and health tech sectors by providing guidance to life science companies on how best to incorporate AI into evidence synthesis and cost-effectiveness modelling by the end of Q4 in financial year 2026 to 2027
- following the [AI Opportunities Action Plan](#), complete 10 end-to-end AI evaluations of high-priority internal AI use cases across HTA and guideline development by the end of Q4 in financial year 2026 to 2027
- build a knowledge platform that transforms guidance content into structured, interoperable and AI-ready knowledge, enabling effective use of AI across the organisation and the wider health and care system, with phase 1 completed by the end of Q2 in financial year 2026 to 2027
- publish 4 NICE health tech guidance documents on AI technologies referred to NICE by the Secretary of State by the end of Q4 in financial year 2026 to 2027

### **Impact Narrative:**

Providing guidance to companies will support AI innovation and more efficient market access, giving innovators clarity, consistency and machine-readable standards while maintaining public trust.

NICE will actively reduce barriers to innovation by making its guidance easier to find, interpret, update and integrate into digital health solutions. Evaluating technologies that use AI will improve outcomes and efficiency in the health service.

These measures will also enable faster learning and adaptation, allowing NICE and the system to respond more quickly to emerging evidence, technologies and AI enabled care models.

## **NICE5: Strengthen international engagement to support UK Life Sciences growth**

### **Outcome Goal:**

NICE will work in partnership with the Department for Business and Trade (DBT) to play a more systematic international role in shaping global approaches to HTA. This will support faster, more predictable market access for UK innovators overseas.

### **Key Results:**

NICE will aim to achieve the following results:

- build on existing international engagement to develop a clearer, longer-term pipeline of regulator-to-regulator collaboration in priority growth markets, focused on sharing NICE's expertise in evidence-based decision-making and value assessment
- subject to future funding arrangements, scale NICE's contribution through established government programmes (including the Ricardo Fund) to support sustained engagement on HTA methods, managed access, and use of real-world evidence
- strengthen co-ordination with DHSC, MHRA and DBT to ensure NICE's international activity is aligned with wider UK life sciences and trade priorities

### **Impact Narrative:**

Expanding NICE's international engagement helps reduce regulatory and evidentiary barriers facing UK companies in overseas markets, particularly for innovative medicines and health technologies.

Increased international recognition of NICE's approaches supports earlier and more predictable adoption of UK-developed products and reinforces the UK's reputation as a leader in health technology assessment. It also complements domestic efforts to attract life sciences investment and launch activity.

## Natural England (NE)

**NE1: Reduce bureaucracy, streamline regulatory processes and expand the use of strategic solutions to unlock major infrastructure projects and nature recovery.** (Growth pillar: Investment, Infrastructure and Planning)

### **Key Results:**

- Deliver the Nature Restoration Fund (NRF):
  - Launch a consultation on the first nutrient pollution Environmental Delivery Plan (EDP) in the summer, as soon as the required secondary legislation is laid in Parliament.
  - Capture initial learnings from the development and implementation of the first EDPs to support Ministers to issue a statement to the House ahead of progressing with non-nutrient EDPs.
  - Bring forward further EDPs as soon as possible, including:
    - By January 2027, launch consultations for nutrient pollution EDPs across catchments where there is significant pressure from development.
    - Accelerate the delivery of great crested newt EDPs so they are ready to launch once Ministers have reported back to Parliament on the first nutrients EDPs.
    - Develop a strong pipeline of future EDPs on a range of issues that will unlock infrastructure and housing development.
- Embed a new governance framework for the most important projects, making effective use of the newly-established Defra Group Infrastructure Unit and Board to support nationally significant infrastructure schemes (currently 51 schemes at April 2026) that are critical for economic growth.
- Lead Environmental Regulator (LER):
  - Deliver the LER pilot at the Lower Thames Crossing. In early 2027, feed into the final evaluation to assess how well the pilot met the LER's core aims, outlining what worked, what did not, and key lessons learned.
  - Identify and lead on at least two additional LER pilots by summer 2026, identify further projects to lead on in the scale-up phase, and work alongside Defra to develop plans for wider rollout of the model.
- Support delivery of the Marine Recovery Fund through the provision of timely advice and the development of strategic compensation measures for offshore wind in accordance with the Defra/NE/JNCC MoU.
- Support the delivery of up to 26GW of offshore wind capacity as part of government's strategic compensation reform work. Do this by providing timely advice on new MPAs as environmental compensation for offshore wind impacts to seabeds, with the first designations expected in 2027.
- Respond to 90% of NSIP casework within agreed timeframes.
- Deliver at least 90% of planning casework within agreed timeframes.

- Support the design and delivery of Environmental Outcomes Reports to drive proportionality in assessment in line with the wider objective to improve environmental outcomes.

### **Impact Narrative:**

The NRF is a win-win for nature and the economy: development is enabled more quickly and with certainty while securing strategic, landscape-scale nature recovery outcomes.

The LER approach will reduce the time required for planning, licensing, and permitting, and improve regulatory co-ordination and the overall experience for developers.

Delays and uncertainty for NSIPs will be reduced via early and constructive engagement with applicants and clear, risk-based advice.

Offshore renewable deployment will be accelerated alongside coherent, strategic marine habitat recovery. This will facilitate growth in the green energy sector.

### **NE2: Reduce time and costs for development by supporting more self-service regulation through high-quality standing advice and a compliance framework.**

(Growth pillar: Investment, Infrastructure and Planning)

### **Key Results:**

- By October 2026, begin the evaluation of initial earned autonomy pilots, assessing their impact on partner performance and regulatory outcomes, and use the findings to refine and strengthen the model ahead of full rollout.
- By August 2026, expand the Bat Earned Recognition scheme, speeding up processing of bat licenses at least four-fold for low risk and two-fold for high-risk cases.
- By June 2026, implement new powers in the Planning and Infrastructure Act to prioritise casework, focussing on high-risk high-opportunity cases.
- During 2026/27 update standing advice and guidance, including on Habitats Regulations Assessments, to give Local Planning Authorities (LPAs) and applicants better clarity on requirements.
- By September 2026, develop metrics and targets to quantify the reduction in regulatory casework transactions through implementation of clearer guidance, processes and earned autonomy approaches. For planning casework, work with Defra to ensure metric consistency across ALBs where possible.
- By May 2026 produce a plan setting out how you will help enable safe AI powered innovation to raise productivity and deliver growth.
- Continue to work towards the government commitment of a 25% reduction of administrative burdens on businesses by the end of this Parliament.

### **Impact Narrative:**

Trusted partners and accredited ecologists are granted greater flexibility while maintaining robust safeguards and securing biodiversity gains, and LPAs will be able to make more use of guidance. This will accelerate planning approvals, enabling more development more quickly.

**NE3: Ensure a proportionate approach to risk appetite and stay focused on outcomes rather than processes.** (Growth pillar: Investment, Infrastructure and Planning)

### **Key Results:**

- By April 2026, develop a clear plan to embed a change in culture and risk appetite that facilitates proportionate, outcome-focused decisions, and innovation that supports sustainable development. This should include trackable steps and metrics to measure progress.
- During 2026/27, publish internal guidance and rollout training on the application of the constrained discretion principles set out in NE's Strategic Policy Statement. By May 2026, 100% of staff will have a new 'outcome focus' goal in their performance agreements that sets the behaviour and delivery standard required to take a proportionate approach to risk and uncertainty and enhance the performance and efficiency of regulatory services.
- During 2026/27, establish appropriate decision-making recording and oversight mechanisms to assess the application of constrained discretion.

### **Impact Narrative:**

Consistent application of constrained discretion principles set out in NE's Strategic Policy Statement ensures advice and decisions align with Defra and wider government priorities. It will also enable a joined-up and placed based approach, which supports innovation and regional growth.

**NE4: Strengthen organisational and system capability and capacity to support planning and development.** (Growth pillar: Investment, Infrastructure and Planning)

### **Key Results:**

- Deliver three specialist training events for LPAs in 2026/27 to prepare them for upcoming changes. Assess the quality of these events through feedback.
- By May 2026, undertake an internal baseline planning skills audit and mobilise a pilot graduate scheme through 'Pathways to Planning'.
- By August 2026 launch a 2-year planning training programme for internal accreditation including a formal mentoring/coaching scheme.

- Work with Defra to develop metrics to measure uptake and impact of these training offers.
- By September 2026 develop processes and define metrics to measure the percentage of casework resolved at first contact, and to measure customer feedback. For planning casework, work with Defra to ensure metric consistency across ALBs where possible.
- Roll out customer service training for 100% of customer-facing staff.
- Over SR25, work with Defra to develop modernised, fit for purpose digital systems and enhance digital services.

**Impact Narrative:**

Growing LPAs' capability to make decisions on nature for low-risk planning casework will free up NE resources to focus on high risk, high value casework and speed up decision-making. A pilot graduate scheme and internal training programme will help NE to attract, upskill and retain talent, further accelerating decision-making and Development.

## Office of Communications (Ofcom)

### **Ofcom1: AI innovation in telecoms**

#### **Outcome Goal:**

Maximise the growth and innovation benefits of AI in telecoms.

#### **Key Results:**

Generate insight to support responsible innovation and AI adoption in UK telecoms.

- Following Ofcom's invitation for stakeholders to contribute on the impact AI could have on the experience of residential and business broadband, mobile and pay TV customers in January 2026, Ofcom will analyse responses in Q1 and Q2 2026.
- Ofcom is developing a greater understanding of how residential and business customers, telecoms providers and third-party applications in the telecoms value chain are currently using AI tools and technologies, and how this is likely to evolve in the future.
- Ofcom will explore how this may have the potential to change customers' experience of telecoms markets and whether changes to our rules may be necessary to realise the benefits of AI adoption.
- Ofcom will set out its findings in a publication in the second half of 2026, including any next steps for its work in this area.

#### **Impact Narrative:**

A greater understanding of the impact of current and potential future AI adoption on telecoms consumers will enable Ofcom to consider whether any changes to regulations are necessary to support responsible AI adoption or to protect consumers. This will include identifying any aspects of Ofcom's current rules that could prevent telecoms providers from realising opportunities for innovation and efficiency, as well as any gaps in protections for consumers.

### **Ofcom2: Fixed telecoms**

#### **Outcome Goal:**

Promote competition, investment and modernisation of fixed networks, and promote business connectivity, to ensure more of the UK benefits from faster, more reliable connectivity.

#### **Key Results:**

A regulatory framework that supports continued investment in full fibre across the UK, and the development of sustainable network

competition. This includes supporting a healthy business connectivity market and promoting competition in the leased line market. For example:

- Regulatory decisions for the leased line market will form part of the Telecoms Access Review.
- Ofcom will publish the Hull Telecoms Access Review in October 2026, following publication of the Telecoms Access Review in March 2026.

Ensure the smooth transition to VoIP during the PSTN migration takes place safely and delivers a reliable service for all customers, including Openreach customers by January 2027.

### **Impact Narrative:**

This will enable further investment in full fibre by Openreach and altnets so that more of the UK benefits from faster, more reliable connectivity – consumers and businesses rely on it for work, accessing public services and entertainment. It will also drive economic growth, supporting higher productivity and innovation across all sectors of the economy and public sector transformation; and it will facilitate the development and adoption of AI.

Network competition will continue to develop where this is sustainable and where it delivers benefits to consumers including a healthy business connectivity market – from innovation, choice, and stronger incentives to price keenly to attract customers, to further improve quality of service. The modernisation of telecoms networks will further support this.

### **Ofcom3: Mobile connectivity**

#### **Outcome Goal:**

Improve investment in UK mobile connectivity.

#### **Key Results:**

Setting out information on investment in UK mobile connectivity and providing better data to help decision-makers deliver improved outcomes for consumers.

- Ofcom will set out its view on what more can be done to support investment and improvements in mobile connectivity in a discussion paper in the summer of 2026.
- Ofcom will strengthen the data and evidence available to the public and decision-makers on mobile coverage and delivery of service to help deliver better outcomes for consumers by Q3 2026/7.
- Ofcom will also provide more detailed plans for further developments aimed at improving the accuracy of mobile coverage and level of service available

across the UK, building on the launch of the Map Your Mobile tool in June 2025. This should include use of crowdsourced and measured data.

- Ofcom will also provide more detailed plans to inform the government's policy development and monitoring of improvements to road and rail coverage reporting.

### **Impact Narrative:**

Users will have access to clearer, more informative data on mobile network coverage which should more closely align with lived experience. This will allow for more informed choices to be made on which operator provides the best service in a given area, which will have a positive impact on competition in the UK market and potentially support investment.

With more accurate information on network coverage and performance, Government can see where the commercial market is not delivering and assess policy options to support investment in these areas, in line with the Government's ambition for higher quality standalone 5G for all populated areas by 2030.

## **Ofcom4: Spectrum**

### **Outcome Goal:**

Maximise spectrum access and sharing to unlock innovation in the UK

### **Key Results:**

Introduction of new products to support innovation and growth.

- Ofcom will set out plans for evolving spectrum authorisation frameworks to enable adoption of innovative technologies in Q3 2026/27.
- Ofcom will publish decisions on expanding spectrum for satellite broadband on planes and ships, and innovative wireless broadband solutions for Wi-Fi, by Q3 2026/7.
- Ofcom will publish a decision on the future use of the 2GHz Mobile Satellite Spectrum (MSS) band by Q4 2026/27.
- Ofcom will work with Government on a UK approach to the World Radiocommunications Conference 2027, including enabling a resilient, competitive, and innovative UK space sector.

### **Impact Narrative:**

Spectrum is central to unlocking innovation and growth across the UK economy and remains a key enabler to getting the whole of the UK connected.

By Ofcom supporting this innovation, growth will be enabled across the UK economy and the increasing demand for spectrum from a growing range of technologies will be effectively managed.

### **Ofcom5: Enabling creative sector growth**

#### **Outcome Goal:**

Media reforms that underpin creative sector growth.

#### **Key Results:**

Review broadcasting regulation, prioritising the removal of any outdated regulation that stifles innovation and growth in the sector, or deters investment in PSB content.

- Ofcom is considering responses to its call for input which sought views on how broadcasting regulation needs to evolve in the short and longer term. Ofcom will build on this work in Q1 2026/27.

#### **Impact Narrative:**

Looking at what changes are needed in broadcast regulation will ensure audiences are protected, that regulation is flexible to respond to market changes and that regulation supports growth and innovation.

### **Ofcom6: Postal Service**

#### **Outcome Goal:**

Support a financially sustainable universal postal service.

#### **Key Results:**

Ensure that regulation supports the continued provision of a universal postal service which in turn will benefit consumers, businesses and the wider economy.

- Monitoring Royal Mail's implementation of Ofcom's reform of the universal service obligations, to support its continued financial sustainability.
- Ofcom will publish its annual monitoring update of the postal market in Q3 26/27.
- Setting a long-term approach to pricing, ahead of the current safeguard cap on second class stamps expiring in April 2027.
- Ofcom will publish next steps in 2026.

#### **Impact Narrative:**

This will ensure a financially sustainable universal service that allows services to be delivered more efficiently, which will support economic growth.



## Office of Gas and Electricity Markets (Ofgem)

### **Ofgem1: Minimise energy system costs and ensure wider services support growth**

#### **Goal Statement:**

Support low prices and high-quality services in the energy system for households and businesses by implementing targeted interventions, with measurable outcomes by late 2026.

#### **Key Actions:**

- 1. By Q3 2026, Ofgem will complete industry engagement on the Cost Allocation & Recovery Review (CARR), publish the analytical framework for assessing reform options, and consult on preferred option(s) for recovering energy system costs.** Options on the table include rebalancing standing charges and unit rates, making charges more cost-reflective (based on time-of-use or location) and differentiating cost-recovery by ability to pay. This reform contributes to growth by making energy system cost recovery more efficient and predictable, balanced with fairness considerations, as the system becomes more capital-intensive, helping reduce investor uncertainty and supporting an investible energy system.
- 2. By the end of 2026, Ofgem will reform demand connections queue rules and incentives for data centres to accelerate strategic demand connections.** This will include implementing new measures under the 'Curate' package to actively curate an effective queue, including new requirements on data centres and incentives for non-viable projects to self-terminate, following consultation in Q2 and implementation targeted for Q3/Q4 2026.  
**In parallel, following a Q3 consultation and through H2 2026 and H1 2027, Ofgem will implement options under its 'Connect' package to enable greater developer self-build of high-voltage connection assets.** This will expand expanding delivery capacity and potentially accelerating connection dates. Together, these reforms will reduce uncertainty over grid access, address a key barrier to inward investment, and directly support the Government's ambition for data centre connections by 2030.
- 3. By Q3 2026, Ofgem will improve investment certainty by delivering Ofgem decision points on strategic planning, establishing the RESP regulatory framework and approving the transitional CSNP (tCSNP), while supporting the DESNZ Secretary of State's SSEP pathway decision.** The main growth contribution of strategic plans is to give earlier, more coordinated visibility on where generation, storage and network upgrades are needed, so network operators and investors can plan and finance infrastructure with greater confidence and at lower cost.

4. **By the end of Q4 2026, Ofgem will implement changes to the regulatory framework within its End-to-end Connections Review.** This will include measures to ensure networks are required to provide more data, and issue higher quality offers and supporting information, to connecting customers. These changes will drive up standards of service and enable timelier connections.
5. **By the end of H2 2026, Ofgem will develop policy on price cap reforms to accommodate market-wide half-hourly settlement, while continuing to deliver Clean Flexibility Roadmap commitments that help consumers access flexibility savings and align with the Markets 2030 Vision & Strategy.** The changes to the price cap framework, following the recent Call for Input, would enable suppliers to bring forward more innovative, flexibility-enabled tariffs and consumers to better respond to system costs, helping lower whole-system costs over time, a key driver of the Growth Mission.

### **Impact Narrative:**

Ofgem's primary contribution and priority in relation to growth is to keep energy prices for domestic and non-domestic consumers as low as possible over time. This includes helping to protect them from the volatility of international gas markets. One of the main ways Ofgem does this is by enabling tens of billions of infrastructure investments at lowest reasonable cost via RIIO-2 and RIIO-3 price controls. The parallel focus in CARR on how these costs are recovered aims to make costs predictable and low, supporting consumer confidence and business productivity. Longer-term optimised spatial planning and market reform through the SSEP and Government's Reformed National Pricing further contribute to this aim. Introducing higher readiness requirements and accelerated demand connections will tackle a major cost driver by reducing delay risk and wasted investment for all energy users, including industrial demand and strategic investments like data centres. This directly addresses one of the main pain points for artificial intelligence (AI) investment, which is power access, contributing to the Government's ambition of connecting at least 6GW of data centre capacity by 2030.

### **Ofgem2: Facilitate Sector Investment**

#### **Goal Statement:**

Enable efficient, timely investment in GB's energy infrastructure at the right cost for consumers through clear growth and investment signals, unlocking key funding and accelerating connection processes, ensuring measurable progress through 2026.

#### **Key Actions:**

1. **During 2026/27, Ofgem will approve around £25bn<sup>3</sup> of forward-looking network investment at the right cost for consumers through flexible in-period additions to existing baseline RIIO-ET3 allowances.** This will support transmission owners to maintain, upgrade and expand grid capacity throughout the RIIO-3 period (2026-31) and beyond. This creates predictable access to funding, reducing cost of capital and ensuring faster build-out for an unprecedented infrastructure programme. Ofgem is expecting to review and, if appropriate, approve up to £25bn of network investment during 2026/27, for projects which will be key to enabling government growth and decarbonisation targets. Ofgem aims to complete each individual review within 6 months so as to avoid impacting the critical path of delivery for these projects.
2. **By March 2027, Ofgem will provide Government with a plan setting out the priority areas for simplification in future price control processes, the evidence base for change, the delivery approach, and how progress and impact will be measured.** This should help create a more predictable price control system with proportionate administrative and regulatory barriers, key to unlocking needed investment.
3. **By Q3 2026, Ofgem will complete Window 1 of the long-duration energy storage (LDES) cap-and-floor regime by publishing the final award list for qualifying projects.** This will follow publication of the initial decision list in Q2 2026. It delivers the Government's decision to introduce an LDES cap-and-floor regime to enable investment in clean power 2030 technologies. This regime contributes to growth by unlocking investment in LDES while keeping a focus on value for money, enhancing investment, system resilience and controlling system costs.
4. **By end-2026, Ofgem will deliver a final decision on the Competitively Appointed Transmission Owner (CATO) licence, take decisions on NESO-recommended CATO projects, and identify the first onshore transmission project to be competitively tendered.** This will strengthen competition in transmission delivery, improve investment certainty, innovation, and help maintain efficient costs for major network build, supporting lower energy bills and growth-critical infrastructure investment.

### **Impact Narrative:**

Facilitating investment is the second most important lever through which Ofgem aims to promote growth. Through clear investment signals and an expanded network delivery landscape, Ofgem will create a more investable, least cost, and predictable regulatory environment. These will contribute to growth and the Government's Clean Energy Industries Sector Plan by delivering predictable, timebound regulatory decisions that lower the cost of capital and accelerate growth-critical infrastructure in

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<sup>3</sup> Value based on transmission owner forecasts of costs of projects they plan to bring to Ofgem for final approval during 2026/27.

networks and clean energy infrastructure. In parallel, Ofgem will continue progressing longer-term plans announced in our Markets Vision & Strategy 2030 to promote investment and innovation in retail markets.

### **Ofgem3: Stimulate Supply Chains**

#### **Goal Statement:**

Strengthen long-term energy supply chains by enabling early procurement signals and exploring onshoring opportunities with measurable milestones by March 2026 and Q3 2026.

#### **Key Actions:**

1. By Q3 2026, Ofgem will assess the impacts of early procurement mechanism funding (APM) within RIIO and integrated into next steps for procurement funding. This interacts with project-specific funding awarded by May under the Accelerated Strategic Transmission Investment (ASTI) regime. These contribute to growth by enabling network companies to secure critical equipment earlier and at scale, which drives lower system costs, while giving advance visibility to energy supply chains, including domestic manufacturers and potential new entrants.
2. By the end of 2026, Ofgem will have determined whether further steps are needed to support GB's electricity network supply chains, notably on procurement reporting. This will be informed by our ongoing position paper and [Call for Input](#) (issued late March) on growing GB's electricity network supply chains. The resulting evidence will inform our decision balancing options to support domestic sourcing with cost, resilience, sustainability and social value. By introducing clearer procurement expectations and reporting, Ofgem can improve visibility and confidence for manufacturers, supporting the Government's Advanced Manufacturing and clean energy supply chain ambitions.
3. **By the end of Q3 2026, Ofgem will contribute to the development of the Electricity Networks Sector Growth Plan (ENSGP).** Ofgem will advocate for an ambitious plan based on shared commitment from industry and relevant parties. Throughout April/May, Ofgem will share insight with relevant ENSGP working groups to inform evidence-based recommendations in the plan and encourage the development of a landscape that provides visibility and supports the case for investment in GB capability. By taking part in an industry-led sector plan, Ofgem contributes to sector growth by building a transparent and evidence-based landscape to support manufacturer confidence and the case for investment in GB capability.

#### **Impact Narrative:**

Where we can do it without undermining the above goals, stimulating supply chains and related skills is the third channel through which Ofgem aims to promote growth. Through mechanisms such as the APM and early construction funding under ASTI, Ofgem enables earlier supply chain commitments from transmission owners. This helps provide clearer signals to manufacturers and directly contributes to growth and the Government's Advanced Manufacturing Plan. Our Call for Input on 'Growing Great Britain's electricity network supply chains', and our contributions to the Sector Growth Plan will help inform the next steps in supporting growth through the energy network, encouraging more local content and upskilling in supply chains. On domestic supply chain support, Ofgem is already doing all it can within the limitations of its statutory duties as an economic regulator. Any measures that would go beyond these duties would require explicit instruction, evidence and policy direction from Government through an appropriate legislative or regulatory vehicle such as the Strategic Policy Statement that sets out the nature and scope of that instruction.

#### **Ofgem4: Ensure Ofgem's approach to regulation enables innovation and minimises administrative burden**

##### **Goal Statement:**

Strengthen sector innovation through renewed funding commitments, increased Ofgem-sector collaboration; ensure that regulation leaves sufficient space for companies to innovate while continuing to protect consumers.

##### **Key Actions:**

- 1. In April 2026, Ofgem will launch the updated Strategic Innovation Fund (SIF) and Network Innovation Allowance (NIA), respectively committing £500m and £300m of investment to drive large scale, transformative network innovation.** By May 2026, five long-term SIF Challenges will be launched to guide all SIF investment and a significant share of NIA funding over the next 5–10 years, ensuring innovation efforts focus on delivering economic growth while supporting Ofgem's decarbonisation and growth objectives. By Q3/4 2026, Innovation Delivery Groups (IDGs) will be established for each Challenge, each with clearly defined success metrics, and tasked with identifying and detailing projects that will drive decarbonisation, growth and cost reduction, alongside identifying the regulatory barriers to innovation as part of their initial work programme.
- 2. By Q3/Q4 2026, Ofgem will launch a 12-month AI Technical Sandbox enabling energy sector licensees and their innovation partners to test high-impact AI use cases in a safe, controlled and commercially neutral environment.** The pilot will generate practical regulatory evidence to inform Ofgem decisions on future AI guidance and policy, reduce regulatory

uncertainty and faster time-to-deployment, and strengthen innovation, productivity and system resilience.

3. **By May 2026, Ofgem will publish a Consumer Confidence strategy setting out a clearer, simpler and lower-burden regulatory framework for energy suppliers that protects consumers while enabling competition and innovation in products and services.** By early Q3 2026, deliver a first phase of supplier licence simplification in collaboration with energy suppliers, alongside reforms to our compliance approach, to reduce unnecessary administrative burden, increase regulatory clarity, and support better consumer outcomes.
4. **Before the end of H2 2026, Ofgem will launch a programme of work to reduce administrative burden, with a public update on this work in 2026.** This will include targeted interventions on data burden for domestic/non-domestic energy suppliers by delivering the Markets Data Improvement (MDI) programme. 2026 MDI deliverables include the publication of standardised markets data definitions (Q1 2026) and the launch of a supplier submission portal (Q2 2026).
5. **By December 2026, Ofgem, NESO and transmission operators will deliver measurable progress in removing non-monetary barriers to the deployment of mature network innovations by completing a 12-month 'Transmission Innovation Deployment' (TID) cycle focused on 3 areas:** dynamic line rating, temporary substation solutions and waveform management unit standardisation. The TID is composed of working groups delivering agreed milestones. This will accelerate the roll-out of proven technologies and support more cost-effective network delivery and reliability.

### **Impact Narrative:**

Our programmes aim to support innovation by enabling direct funding, supporting new entrants and the deployment of AI, and minimising administrative burden. This contributes to growth by reducing costs, driving up innovation, and encouraging the adoption of technology across the economy. Ofgem will further tackle regulatory complexity and administrative burden in the day-to-day, contributing to the Government's Regulatory Action Plan.

## Office of Rail and Road (ORR)

### ORR1:

#### Outcome Goal:

Ensure NR remains on track to deliver the regulatory efficiency target (currently set at £3.9bn) of sustainable efficiencies by March 2029.

#### Key Results:

- Network Rail remains on track to deliver the regulatory efficiency target (currently set at £3.9bn) in verifiable efficiency savings through its Operations, Maintenance and Renewals spend over the life of the current Control Period (Control Period 7).
- ORR will ensure that these efficiencies are delivering real and sustainable benefits. ORR will ensure that these efficiencies are delivering real and sustainable benefits, with clear linkages to overall financial performance and long-term asset condition.
- Efficiencies will support the supply chain and sector innovation – Committed spend and deliverable plans show Network Rail R&D or innovation spend on track to meet HLOS expectations on R&D over the control period.

#### Impact Narrative:

Network Rail's delivery of efficiency and financial performance is essential to minimise the cost of the railway to end users and taxpayers while delivering required outcomes.

The railways are a key part of the Government's plan for economic growth. The current Control Period (Control Period 7) settlement was agreed recognising that there was a need for continued modernisation and improved productivity to support the sustainability of the railway and its underlying assets over the long-term and the benefits it provides to passengers, freight and the economy and growth.

Network Rail has an (approximately) £40 billion, 5-year funding and planning cycle. This means that the Network Rail efficiency programme, cannot be a simple cost-cutting (although eliminating waste may form part of it). It must ensure:

- Passengers: it must ensure a sustainable railway that benefits passengers and minimizes disruption so the growth benefits of railway are realized and maximised
- Taxpayers: to ensure the overall cost-base of the railways is minimized so that public money is used effectively and fares and public funding kept balanced

- Sector and Supply chain: to support an innovative competitive supply chain, reducing unit cost, driving up productivity and creating a sustainable and affordable railway.

The goal is to encourage opportunities to innovate, share best practice, collaborate and scale over time. It also drives productivity and innovation in the wider industry and leads to better, more reliable infrastructure. Benefits arise from ORR challenging at the outset and then monitoring delivery through the course of the funding period, challenging Network Rail to go further where required. Strong focus on efficient delivery also ensures value for money for both taxpayers and users. This enables Network Rail, operators and the supply chain to sustainably reduce the overall cost-base of the industry.

(<https://www.orr.gov.uk/sites/default/files/2024-04/03-pr23-final-determination-overview-england-and-wales.pdf>)

(<https://www.orr.gov.uk/media/24663/download>)

(<https://www.gov.uk/government/publications/railways-high-level-output-specification-2022>)

(<https://www.orr.gov.uk/annual-efficiency-and-finance-assessment-network-rail-2025>)

(<https://www.orr.gov.uk/sites/default/files/2026-03/2026-rail-industry-productivity-report.pdf>)

## **ORR2**

### **Outcome Goal:**

ORR will complete all the actions necessary for transformation to its amended role from GBR Day one. This will include the necessary governance and organisational change to undertake its new roles as GBR monitor and track access appeals body. It will also have successfully moved consumer functions to the Passenger Watchdog and have the necessary structures in place to support the functions of the Passenger Watchdog.

### **Key Results:**

From GBR Day 1:

1. Regulatory certainty at transition
  - Statutory regulatory roles transferring to or changing under GBR (including licensing, access appeals, online retail oversight and funding advice) are clearly defined in legislation by GBR Day 1, with published supporting documents that include details of transition from existing arrangements.

- The ORR's regulatory processes critical to GBR Day 1 are effectively implemented, with interim arrangements and consultations (for example on access appeals) ensuring continuity of decision-making and no disruption to live cases.
  - There are no material delays to GBR-critical regulatory decisions arising from unresolved role ambiguity, with existing rights and processes respected during the transition period.
2. Effective and predictable decision-making
    - Industry reports no systemic regulatory delays attributable to ORR during the first year of GBR operation.
  3. Increased confidence for delivery and investment
    - GBR, licensed passenger and freight operators, and key rail supply-chain partners confirm, through feedback to DfT or ORR, that ORR's post-reform role is clear, proportionate and predictable, supporting confident planning and investment decisions.
    - Where new processes are introduced to support where ORR's role is expanded (for example, online retail oversight or whole-system monitoring), these are designed to be proportionate, clearly signposted, and implemented in consultation with operators and the supply chain, avoiding unnecessary duplication or burden.
  4. Leadership, people and culture
    - DfT Leadership is reassured through established governance mechanisms, that ORR has the leadership, people, culture, skills and processes in place to enable it to undertake its new role confidently and successfully. Where gaps are identified, DfT and ORR agree mitigations and phased implementation plans, with escalation through existing governance where necessary.

### **Impact Narrative:**

Rail reform is intended to reduce fragmentation, speed up decision-making and create clearer accountability for delivery through GBR as the directing mind, accountable to the Secretary of State. Regulatory uncertainty, delay or over-intervention during transition could slow investment, increase delivery risk and push costs onto passengers, freight customers and taxpayers.

This goal focusses on the ORR being ready to support GBR Day 1 by providing a clear, predictable and proportionate regulatory framework. This goal focusses ORR on enabling growth through regulatory readiness and predictability. By clearly operationalising its reset role from Day 1, ORR helps to unlock GBR's and industry's ability to deliver the objectives of reform, including supporting economic growth.

To ensure that GBR is fully empowered to deliver growth as intended, the intended oversight approach must also be in effect. This means ORR must deliver its internal reforms that allow GBR to act effectively as the directing mind.

We will support ORR to deliver the effective institutional, cultural and sectoral change that will provide confidence in its oversight of GBR. This then ensures GBR has the freedom, accountability and remit to break free from the short-termism of the current system; and incentivises stability and confidence to investors, making it easier to introduce innovation and seize new opportunities as they emerge, promoting sectoral and wider growth. Importantly, establishing oversight arrangements in the right way would enable GBR as Directing Mind to focus on delivery, including of its Growth objectives.

Cementing these reforms will put industry experts in the driving seat, grow a diverse, skilled workforce, and unlock the long-term and strategic leadership and growth opportunities the sector identified through the review and subsequent consultation. For the rail sector, the benefits could be substantial, with partners from freight, the supply chain and open access benefiting from GBR's directing mind.

## Water Services Regulation Authority (Ofwat)

The Government has announced that it will create a powerful new water regulator by abolishing Ofwat and bringing together the relevant water system functions from the existing regulators (Ofwat, the DWI, EA, and Natural England) into one new body.

We will update later this year on our approach to ensuring that Ofwat continues to deliver for growth in the meantime.

## The Pensions Regulator (TPR)

The Pensions Regulator (TPR) has an important role to play in supporting the Growth Mission through its regulation of the pensions industry. UK workplace pension funds are worth approximately £2 trillion (around two-thirds of UK GDP) and play an integral part in the economy as institutional investors. Effective pensions regulation therefore has huge potential to support economic growth. Firstly, through increasing the value of pensions to boost retirement incomes, and, secondly, through the use of pension funds to invest in and grow the UK economy. To make this come to pass, TPR has transformed its market oversight and supervisory approach. It now has embedded supervisory teams matched up to segments of the market with different risk profiles. It engages on risks and opportunities both at an entity and system-wide level seeking open and transparent dialogue with schemes to help them build enhanced capability and capitalise on new opportunities which benefit savers, including with respect to productive finance. Whilst investment decisions are in the hands of schemes, through this approach we will be able to ensure a focus on high-quality investment governance and that schemes are acting in their members' best interests. Alongside this TPR is supporting structural reform of the marketplace to enable trustees to invest in a broader range of assets, creating transparency around performance and enabling scheme structures and governance arrangements that provide resilience and better value for savers.

### Impact

TPR's impact on growth is indirect. There are many different factors that need to work together to deliver economic growth through several channels. It is therefore not possible to disentangle the precise contribution of specific drivers and robustly define a direct, causal relationship between workplace pensions regulatory actions and economic growth. Asset allocation decisions are made by trustees, with saver outcomes paramount.

TPR will oversee the delivery of the Pension Schemes Act 2026. Underpinned by changes to strengthen trusteeship and governance, the Act is expected to have a direct positive impact on GDP and Real Household Disposable Income (RHDI). It aims to build a pensions market with fewer, larger, and better pension providers. It is expected to generate 10-20 defined contribution (DC) Megafunds over the next 5-10 years and to strengthen the opportunity for pension funds to invest in more productive assets, which often have a stronger UK bias. Complemented by the Mansion House Accord (a voluntary agreement by major pension schemes to invest 10% in private assets by 2030 of which 5% will have a UK focus) and by a backstop reserve investment power, DWP expect that together these measures could generate a 0.1% GDP impact by 2030.

The Pension Schemes Act is also expected to deliver gains to around 20 million pension savers, resulting in a higher pensioner RHDI. This is important given that 4-in-10 (43%) of working-age people (equivalent to 14.6 million) are estimated to be

under saving for retirement. An average earner with a DC pension saving over their career could potentially see £29,000 more in their pension pot at retirement as a result of the measures in the Act. In addition, the Act will help safely release some of the £160bn surplus funds (on a low dependency basis) trapped in defined benefit (DB) schemes to employers and members, boosting RHDl and supporting re-investment into businesses and the economy. The Act will also allow the Local Government Pension Scheme (LGPS), with assets over £400bn, to boost investment in local economies and deliver better returns for savers.

### **Proposed Growth Goals for TPR**

Given the clear growth focus of the Pension Schemes Act, the Minister for Pensions has set the following four growth goals for TPR which are explicitly linked to Act measures:

1. Reform the workplace pensions sector to boost growth and support adequate income for pension savers in retirement
2. Unlock surplus/capital to benefit savers, employers and the economy
3. Support productive investment to help grow the economy and increase saver returns
4. Promote the responsible and safe use of AI technologies in pensions to improve saver outcomes

Each of these proposed goals is considered in more detail below. DWP and TPR will consider next steps on assessing progress made against the indicators and milestones provided for each goal, including the approach to measurement, data availability and lessons learned, so that this can be factored into 27/28 business planning and associated targets. Performance will be monitored against indicators however it is expected to be directional and longer term, and is to be noted that this will be influenced by TPR's interventions; it will also be impacted by a range of factors outside of TPR's control.

### **TPR1: Reform the workplace pensions sector to boost growth and support adequate income for pension savers in retirement**

#### **Outcome Goal:**

The market consolidates into fewer, larger schemes, able to harness the full range of investment opportunities, offering better value for money pensions and good quality defaults. These changes support UK growth and deliver improved returns to pension savers, supporting them to benefit from a sustainable and sufficient income in retirement.

The Pension Schemes Act will close many sub-scale multi-employer schemes across DC and LGPS by setting a £25bn minimum value of assets under management, creating almost 20 Megafunds. The Act also introduces a permanent regime for Superfunds, which consolidate DB pensions. Greater scale is expected to

lead to greater economies of scale and efficiencies, as well as enabling greater expertise and diversification in investments, helping increase net returns. Larger schemes are more likely to invest in private market assets, such as UK infrastructure projects or private equity, which have a stronger home bias.<sup>4</sup>

Scale is a necessary, but not the only, condition for growth. It is important to view these scale measures alongside our other reforms, in particular (for DC schemes) the Value for Money framework, the Mansion House Accord and the backstop 'reserve' power on asset allocation. Value for Money aims to facilitate investments into higher value asset classes, to encourage schemes to prioritise investments that offer better long-term value and to address poor value.<sup>5</sup> Value for Money is also expected to drive consolidation as it will lead to poor-performing providers exiting the market. In addition, the Pension Schemes Act introduces a backstop reserve power to enforce the voluntary commitments to increase UK private market investment. Increasing DC allocations to UK private markets will increase the availability of capital available to businesses to make investments in the UK.

As well as supporting economic growth, consolidation will help ensure members have adequate retirement income. The combined impact of the measures detailed above is expected to result in an increase in the proportion of members in schemes with higher investment performance. Scale requirements in Master Trusts alone are estimated to deliver around £3,000 more in a DC pension pot at retirement for an average earner saving over a career. In addition, as a result of the Value for Money framework, we expect to see a decline in the range of performance between providers - meaning that more savers get better returns. The Value for Money measure on its own is estimated to potentially deliver around £16,000 more in a DC pension pot at retirement for an average earner saving over a career.

Other DC measures being brought forward through the Pension Schemes Act will also help people build a sustainable retirement income. Currently, many savers have multiple small pension pots, some of which are lost, and each of which is subject to administrative fees. Through the Act, small pots will be combined, meaning pension savings are less likely to be lost and less of their value will be eroded through fees. The Act also introduces a DC guided retirement duty which will require decumulation products to be provided that allow many members to keep their pension assets within the scheme for a longer period, enabling longer-term investment strategies that can lead to better returns.<sup>6</sup>

All of these factors should result in improved income (RHDI) for pensioners. For an average earner with a DC pension saving over their career, this package of Act

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<sup>4</sup> See: [Pension fund investment and the UK economy - GOV.UK](#)

<sup>5</sup> Responses to DBT's 'Invest 2035: the UK's modern industrial strategy' consultation strongly supported the use of VfM as a key metric: UK Finance advocated measuring consumer value by net returns rather than fees, while BVCA and Fidelity emphasised moving beyond cost to focus on outcomes.

<sup>6</sup> In response to DBT's 'Invest 2035: the UK's modern industrial strategy' consultation, Fidelity International supported stronger regulatory powers to ensure smooth transitions and guided options for savers.

measures could deliver £29,000 more in retirement. (Please note that this goal also reads across to forthcoming recommendations from the Pension Commission around ensuring pension adequacy in retirement).

Progress towards this goal will be monitored through DC Scheme Returns, industry data gathering, investment performance surveys (such as CAPA), and TPR scheme surveys. At the same time, TPR will continue its supervisory focus on investments and good member outcomes through the introduction of a common supervisory framework, to ensure that value for money is at the heart of the workplace pensions system.

### **Key Results:**

TPR will track its performance against the following regulatory milestones for this goal:

1. Publish new guidance for consolidating small single employer trust DC schemes by March 2026.
2. Produce a market engagement report to help set out the profile of UK assets of interest to UK pension schemes by summer 2026.
3. Implement Value for Money framework to improve long-term value in the DC sector by 2028, to force poor performers from the market.
4. Regulate against the scale regulations to ensure Master Trusts have at least £10bn in assets in default funds by 2030 and a credible path to have at least £25bn in assets in default funds by 2035.
5. Oversee compliance with the guided retirement duty, which we expect to be implemented in 2028.
6. Implement multiple default consolidator (small pot) reforms by 2030.

TPR will track its progress using the system-level indicators set out below:

- a) An increase in the number of large multi-employer DC schemes that are of the required scale (Megafunds)
- b) A decline in the number of default accumulation arrangements across DC schemes
- c) An increase in the proportion of DC assets invested in unlisted/private assets
- d) An increase in investment in UK-based assets by DC schemes
- e) A reduction in the number of small pots
- f) All DC schemes offer (or partner to offer) decumulation products, including well-designed default pension plans
- g) An increase in the proportion of members in schemes with higher investment performance
- h) A decline in the range of investment performance seen between firms
- i) A growth in the number of authorised DB superfunds

## **TPR2: Unlock surplus/capital to benefit savers, employers and the economy**

### **Outcome Goal:**

Well-funded DB pension schemes and Master Trusts are able to unlock additional reserving surplus or capital to benefit savers, employers and the economy.

It is currently estimated around £160bn of surplus funds are held in DB schemes, some of which could be safely released to employers and members. The Pension Schemes Act will allow DB scheme trustees to modify scheme rules to share surplus funds with sponsoring employers, supporting business investment. This measure will also mean trustees are better placed to negotiate additional benefits from surplus for members, supporting RHDl for pensioners.

Money held in pension funds could also be unlocked for investment through changes to Master Trust capital reserving requirements. Master Trusts are required to hold or 'reserve' sufficient capital to cover risks, provide member security and fund operations. TPR have committed to reviewing the regulatory requirements around how much capital Master Trusts are required to reserve by the end of 2025-26. Reducing excessive reserving has the potential to free up millions of pounds of funds for investment.<sup>7</sup>

### **Key Results:**

TPR will track its performance against the following regulatory milestones for this goal:

1. Publish updated guidance for Master Trusts on reserving requirements to reflect changes in the market since authorisation to reduce regulatory uncertainty and allow schemes to reduce the level of cash reserves where safe to do so by March 2026.
2. Consult on regulations and TPR guidance to help schemes consider surplus release.
3. New regulations come into force supported by published TPR guidance.

TPR will track its progress using the system-level indicators set out below:

- a) An increase in the number of DB schemes safely releasing their DB surplus
- b) An increase in the amount of DB surplus released to members and employers

## **TPR3: Support productive investment to grow the economy and increase saver returns**

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<sup>7</sup> Responses to DBT's Invest 2035 consultation showed strong support for unlocking pension capital. IP Group plc: Advocated unlocking pension capital for UK growth companies. UK BioIndustry Association (BIA): Urged directing unlocked pension funds to life sciences and innovation sectors.

### **Outcome Goal:**

Pension funds are supported to invest in productive assets, particularly in the UK, to support economic growth and increase returns for pension savers.

The Act measures on scale/consolidation as well as, for DC, the Value for Money framework, the reserve power and the Mansion House Accord (all detailed above), should help increase the proportion of DC assets invested in private markets and an increase in investment in UK-based assets by DC schemes, from less than 4% of DC assets currently. Schemes will still need to meet their fiduciary obligations, and system change in productive investment will take time, as it also requires schemes to develop the internal capability, and government to partner with schemes by making suitable investment opportunities available.

Progress will be measured by annual regulator surveys and Value for Money returns.

### **Key Results:**

TPR will track its performance against the following regulatory milestones for this goal:

1. Articulate the kinds of investments that would be attractive to UK pension funds to invest in by summer 2026.
2. Sector responses to TPR guidance on private market investment, which highlights opportunities and risks by investment type.<sup>8</sup>
3. Develop a strategy and workplan to make sure all schemes have trustees capable of considering a diversified range of investments.

TPR will track its progress using the system-level indicators set out below:

- a) An increase in the proportion of DC assets invested in unlisted/private assets
- b) An increase in investment in UK-based assets by DC schemes.

### **TPR4: AI Growth Goal**

#### **Outcome Goal:**

In the coming years, we are likely to see extraordinary strides forward in technology, particularly AI. In workplace pensions, a number of use cases for AI are emerging which could signal improvements in administration and member engagement in particular. However, whilst adoption of AI in the pensions industry is growing, it remains generally low: the Society of Pension Professionals' 2025 survey of members found 87 per cent of respondents' firms use AI, yet 77 per cent use it in only 1-5 per cent of their services. Adoption is hampered by a lack of understanding and concerns around the technology.

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<sup>8</sup> [Private markets investment](#)

AI technologies continue to advance rapidly, raising governance, operational, and resilience challenges. The evolving fraud threat with AI indicates that it is currently used to boost the scale and efficiency of telecom enabled fraud, but instances of AI enabled advanced impersonation fraud remain rare. AI also offers new capabilities to combat fraud by identifying and detecting unusual patterns and fraudulent websites

As a result, our focus as a regulator is on providing the pensions industry with the tools to explore and implement AI in a safe, controlled way. We have already established an AI Advisory Council with external experts to oversee the ethical use of AI technologies. And we will promote the responsible and safe use of AI technologies in pensions to improve saver outcomes. We will achieve this by focusing on good scheme governance and administration, putting the data building blocks in place, supporting and fostering responsible innovation, and harnessing AI to become a more effective and efficient regulator. This includes a concerted focus on data as part of its supervisory efforts to make sure that it is considered a strategic asset.

**Key Results:**

TPR will track its performance against the following regulatory milestones for this goal:

1. Publish guidance in 2026 on the responsible adoption of AI for pension schemes
2. AI Advisory Council/Data and Digital Industry Working Group: Meeting 4 times in the year and publishing summaries of discussions
3. AI Accelerator Programme, which has a significant focus on building TPR's AI capability to enhance our regulatory delivery:
  - a) 80% of TPR staff utilising AI productivity tools such as Copilot as part of their workflow
  - b) at least 70% of priority AI use cases progressed to live use or operational pilot

## Prudential Regulation Authority (PRA)

The Financial Services and Markets Act 2023 gave the Prudential Regulation Authority (PRA) a statutory objective to facilitate the international competitiveness of the UK economy and its medium to long-term growth, similar to the strengthened Growth Duty legal framework proposed for other major regulators in the King's Speech.

Under the Financial Services and Markets Act 2000, the Treasury is required to write to the PRA at least once per Parliament to set out aspects of the Government's economic policy to which the PRA must have regard to. Most recently, the [Chancellor's 2024 letter of recommendation](#), set out how the regulator is expected to support the government's Growth Mission. The PRA must respond within a year, and annually thereafter, setting out the action it has taken or plans to take in response, or explaining why it has not acted. The PRA has responded to this remit letter in [2024](#) and [2025](#). For example, the PRA has simplified the prudential regime for small banks and building societies through the "Strong and Simple" capital framework, cutting costs and freeing up resources to support lending to households and businesses.

The PRA is also subject to clear accountability arrangements, including reporting annually on how it is advancing its objectives with standalone reports on its growth and competitiveness objective. In addition, the Economic Secretary to the Treasury holds biannual performance reviews with the Chief Executive. Together, these arrangements ensure that the PRA has clarity from government on its role in delivering the government's Growth Mission.