

2025/26 Annual Report

April 2026



Digital Regulation Cooperation Forum



Contents

3	CEO's Foreword
4	Chair's reflections
5	Introduction to the DRCF
6	Three-year vision 2024-2027
7	Values
8	Our year in highlights
10	Key DRCF outputs during the year
11	Unlocking digital innovation and economic growth
11	Overview
11	AI and Digital Hub pilot
12	Thematic Innovation Hub
13	Digital Library
13	Financial services and data protection
14	Data protection, sector regulation and competition
15	Protecting and empowering people online
15	AI
15	Online choice architecture
16	Online safety
16	Fraud and scams
17	Supporting regulator effectiveness
17	Attracting talent and developing skills
17	Advanced regulatory technologies
17	Streamlining collaborative processes
18	Anticipating future developments
18	Horizon scanning
19	Smart Data and digital ID
20	Leading domestic and international discussion
20	Engagement
20	UK industry and civil society
20	Government and Parliament
21	International
22	Conclusion

CEO's Foreword

Join up between regulators is essential for effective and efficient digital and AI regulation. The DRCF enables regulatory cooperation for coherence in support of innovation and growth and the reduction of burdens on businesses, as well as to ensure effective protection from harms. The DRCF benefits innovators and investors seeking to understand UK compliance requirements; firms under supervision adapting to new obligations; Government and Parliament designing and overseeing the regulatory framework; and civil society and academia working to shape and improve the digital regulatory landscape. The DRCF's role has become critical in supporting our member regulators to meet the challenges of digital regulation, using innovative tools that help to unlock growth in a way that protects citizens and consumers online.



2025/26 has stood out as a year of high ambition, strong delivery and meaningful impact for the DRCF. At a time of rapid technological change, we have deepened our role as a convenor, collaborator and source of practical leadership across the digital regulatory landscape through practical innovations, policy leadership and knowledge sharing: ranging from our prototype Digital Regulatory Library to our Thematic Innovation Hub, our smart data, cybersecurity and AI governance research and development activities, supporting regulators in their adoption of AI and leading dialogue on governance both within the UK and internationally.

As we enter the final year of our three year vision, I am confident that the DRCF is making a positive contribution to protecting people from harm while supporting innovation and economic growth, and that the connective role we play between regulators is helping to strengthen the UK's digital regulatory environment during a period of profound change.

None of this would be possible without the sustained energy, collaboration and commitment of current and former colleagues across our core team and the many teams involved across our member regulators. I am grateful for their dedication to the DRCF's shared ambition and values, and I look forward to another impactful year ahead.

Kate Jones,
Chief Executive Officer, DRCF

Chair's reflections

This year has been one of both momentum and maturity for the DRCF. The pace of technological change, particularly in AI, has been extraordinary. Innovations that once felt speculative are now being integrated into products, business processes and consumer facing applications at remarkable speed. The opportunities, challenges and complexities this raises have reinforced the need, more clearly than ever, for a coordinated, cross-regulatory approach. In 2025/26 DRCF worked hard to stay abreast of the latest developments, delivering a remarkable programme of work to coordinate thinking and response in critical areas like AI.



Across all our work, we have remained firmly focused on delivering the ambitions set out in our three-year vision: to enhance regulatory coherence, support responsible innovation, and strengthen the UK's digital regulatory ecosystem. This year, that vision has been a practical compass for both our priorities and our ways of working.

We advanced the development of our **Digital Library**, a prototype for a single, trusted gateway to guidance across all four regulators - directly addressing industry feedback on the cost and complexity of navigating multiple regimes. We convened our second **Responsible AI Forum**, bringing together experts from industry, government and academia for deep, constructive conversations about the risks and opportunities of AI for the UK. And, through our active engagement in the **International Network for Digital Regulation Cooperation (INDRC)**, we strengthened international cooperation, ensuring the UK remains plugged into global thinking on digital regulation.

Building on the insights from the **AI and Digital Hub** trial, we established the **Thematic Innovation Hub** and selected **Agentic AI** as our first theme. This has helped us develop a joined-up understanding of fastmoving technological developments and will continue to shape our regulatory thinking in the year ahead.

As my term as Chair concludes, it has been a privilege to lead this collaboration through such a transformational period in the digital world. The pace of innovation will only continue to accelerate, with the DRCF's role in encouraging safe, trusted innovation and business certainty becoming more important than ever. I would like to extend my sincere thanks to **Kate Jones**, whose leadership and commitment have been instrumental to our progress. I am delighted to be handing over the role of Chair to **Melanie Dawes**, and I know the DRCF will continue to thrive under her stewardship.

Sarah Cardell
CEO CMA and DRCF Chair

Introduction to the DRCF

The DRCF unites four UK regulators to promote a coordinated approach to digital regulation for the benefit of people and businesses online. We are a voluntary forum for collaboration that enables regulators to engage on digital policy areas of mutual interest. The DRCF's goals and objectives are set out in our terms of reference.¹

- Competition and Markets Authority (CMA)
- Financial Conduct Authority (FCA)
- Information Commissioner's Office (ICO)
- Office of Communications (Ofcom)

¹ [drcf-terms-of-reference.pdf](#)

Three-year vision 2024-2027

This fifth DRCF Annual Report, for the year 2025/26, is published alongside the 2026/27 Workplan. It sets out how we implemented the three-year vision established in our 2024/25 Workplan:

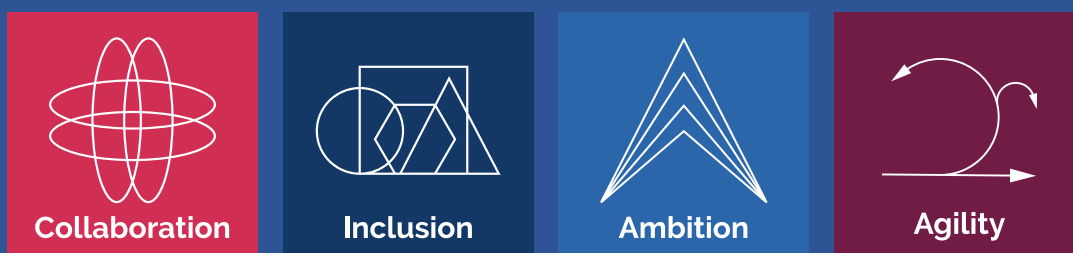


The vision aligns with the shared priorities of our member regulators to protect and empower users of AI and people online while unlocking digital innovation and fostering economic growth. It expresses our shared commitment to enhance regulatory effectiveness, lead discussions at both national and international levels and prepare for future technological advancements.

In this report, we have categorised our outputs by reference to their primary driving force from this vision. Nonetheless, many of our outputs play a key role in achieving more than one part of our vision. Fundamentally, we are committed to ensuring that all our work fosters innovation and economic progress in a way that is safe, fair and responsible.

Values

We continue to deliver our work by reference to the DRCF values, developed last year to shape the identity and long-term success of the DRCF:



Collaboration

Providing a positive environment for inter-regulator teams to work together, tackle issues and deliver successful solutions in digital regulation.

Inclusion

Harnessing regulatory diversity as our core strength as well as ensuring all voices are heard, so that we remain a great place to work in parallel with delivering high quality outcomes.

Ambition

Leveraging our research, visibility, and 'can-do' approach to create a reputation for excellence and to continue to pursue fresh opportunities for integrated digital regulation.

Agility

Encouraging a learning and growth culture that empowers our team members to be proactive and creative, while equipped to embrace changes and developments.

The DRCF values are guiding principles for decision making and optimise our ways of working, ensuring consistency and maintaining integrity.

Our year in highlights

Pooling our research capabilities to inform digital regulatory policy



4 cutting edge research publications

Supported by our two British Academy research fellows, including:

- Smart Data Frameworks: An International Comparative Analysis and Strategic Considerations
- The Future of Agentic AI: Foresight paper
- What the UK Told Us About AI Adoption and Digital Regulation



At least 67 references to the DRCF in academic papers over the past year

Engaging with industry, civil society, Government and other regulators with a collective voice



Designing and running our new Thematic Innovation Hub

With its first theme: Agentic AI.

Attracting over **190 Attendees** across our webinar and Industry Roundtables



Building a Digital Library Prototype

Improving the accessibility of regulation for industry and investors



Delivering the DRCF Responsible Gen AI Forum

Over **200 attendees** - key speakers including Kenneth Cukier, Tom Collins MP, Dame Melanie Dawes and Gina Neff



Delivering our Event on Cybersecurity and Emerging Technologies

- Over **90 attendees** - key speakers including Prof. Carsten Maple, Angela Sasse and Emma Philpott MBE



144,000 DRCF impressions on LinkedIn

Over 15 DRCF UK speaking engagements



Leading the way internationally

- Formalising the INDRC, convening **3 INDRC meetings**
- **7 international visits**, promoting regulatory cooperation among the privacy, financial services and communications regulatory communities



Government and Parliament relations

- Relationships with **3 Government Departments**
- DRCF appearances or discussion before **3 Parliamentary Committees**

Delivering for our member regulators



Supporting over **25 cross-regulatory projects** involving two or more regulators



Hosting **15 Skills and Capabilities Webinars** to a total of **1000 attendees**



Running 6 deep dives on regulators' deployment of **Advanced Regulatory Technologies**



Sending 18 people on **AI Leadership Training**



Facilitating **48 digital skills** mentoring partnerships



Hosting **2 British Academy Research Fellows**



Facilitating Knowledge Sharing across our regulators in topics ranging from AI to Digital ID



Connecting regulator legal services to facilitate information sharing pathways

Key DRCF outputs during the year

In the following pages we set out the DRCF's work in 2025/26, comprising joint activities by two or more of our regulators. Over the past year, the DRCF has continued to bring together the collective expertise of its member regulators to respond to fast-moving technological change, support innovation and economic growth, and protect and empower people online. Our work reflects a shared commitment to regulatory coherence, practical collaboration and openness to learning as new challenges emerge.

In addition to the DRCF-led projects discussed in this report, we continue to build and strengthen strong networks between our regulators, supporting a culture of collaboration across a wide range of functions spanning ranging from regulatory supervision to policy development and engagement externally.

Unlocking digital innovation and economic growth

Key publications

[Laying the foundations for cross-regulatory innovation support: Insights from the DRCF AI & Digital Hub pilot | DRCF](#)

[“Regulation isn’t a roadblock – it’s a roadmap”: Takeaways for innovators from the DRCF AI and Digital Hub | DRCF](#)

[DRCF launches Thematic Innovation Hub for innovators with first focus on Agentic AI | DRCF](#)

[DRCF given £800,000 to create “one-stop-shop” digital regulatory library | DRCF](#)

[Cooperation Between Digital Regulators: Unlocking Innovation and Economic Growth While Protecting and Empowering People Online | DRCF](#)

[Tech, Trust and Teamwork: How the FCA & ICO are Helping Innovation Take Off | DRCF](#)

[Key Takeaways from the DRCF Thematic Innovation Hub first series: Agentic AI | DRCF](#)

[DRCF Refreshes AI Audit Skill-share Group | DRCF](#)

Overview

The DRCF’s pro-innovation activities over the last two years - the AI & Digital Hub pilot, the launch of the Thematic Innovation Hub and its first topic of Agentic AI, and the development of the Digital Regulation Library - represent a step change in how the DRCF supports innovation. They give innovators clearer means to raise cross-regulatory issues, provide regulators with earlier insight into technologies that cut across traditional boundaries, and help ensure the UK’s regulatory system remains coherent, collaborative and responsive to emerging digital challenges.

AI and Digital Hub pilot

As set out in the [2024/25 Annual Report](#), in April 2025 we concluded our year-long pilot of the DRCF AI and Digital Hub - the UK’s first cross-regulatory advisory service for AI and digital innovation. Over its year in operation, the Hub received 30 applications, provided full, cross-regulatory responses to 9 innovators and partial support to 11, and published 8 [anonymised case studies](#) to help the wider market understand how cross-regulatory requirements apply in practice.

The pilot showed that a cross-agency Hub can offer significant value for both innovators and regulators by encouraging a model of regulation that is collaborative, adaptive, and connects with real world innovation. In October 2025 we published our key findings and reflections on the pilot in a paper and accompanying article penned by our CEO Kate Jones, ‘[Regulation isn’t a roadblock - it’s a roadmap](#)’.

By consolidating advice from multiple regulators via the Hub, and bringing innovators and digital regulators together in an open and frank dialogue, participants from industry reported clearer understanding of regulatory expectations and less time spent navigating between regulators. In at least one case, support from the Hub contributed to a decision to expand operations in the UK. As one applicant noted:

“Having gone through this process [the AI and Digital Hub], you almost gained a competitive edge... because you know you’re in line with the regulatory landscape.”

Another reflected that it helped them unlock new thinking:

“The value of the Hub is that it extended my questions into areas I didn’t know I needed to ask about. You can’t replace that - you need someone with that knowledge.”

Thematic Innovation Hub

A key insight from the pilot was that innovators’ questions tended to cluster around specific emerging technologies, rather than isolated compliance issues. This informed our development of the pilot’s successor, the [Thematic Innovation Hub](#), which we launched in October 2025. The Hub enables industry and regulators to engage on a chosen theme of high salience and cross-regulatory implications.

We adopted Agentic AI as the theme for the Thematic Hub’s first year to engage with organisations across our regulated sectors that are considering, or beginning to build or deploy agentic systems. Agentic AI’s capability of multi-step reasoning, autonomous action and tool use raises questions that cut across multiple regulatory domains. We published a public [Call for Views](#) in October 2025 to inform the Hub’s programme of work on Agentic AI, drawing responses from large technology firms, SMEs, researchers, civil society and specialist intermediaries. These responses also informed our Horizon Scanning Report into Agentic AI, which is discussed later in this document.

In December the Hub hosted an open webinar on Agentic AI, to explain its development and hear about deployment and concerns. The webinar featured contributions from industry, academia, media and civil society, who highlighted shared concerns around data governance (including management of prompts and logs), accountability for autonomous system behaviour, cybersecurity resilience, and market concentration.

To build a clearer picture of practical challenges of developing Agentic AI systems, the DRCF hosted industry roundtables in London and Edinburgh, serving as opportunities for regulators to better understand real-world deployment issues and the regulatory challenges practitioners are encountering. As part of this series, firms demonstrated agentic systems directly to DRCF regulators, enabling our members to observe current-gen capabilities and how these systems plan, reason and interact with external tools. These demonstrations have been useful in enhancing regulatory links with innovators and exposing the regulatory implications of these new technologies.

Digital Library

This year we have delivered a prototype Digital Regulatory Library - a single digital location that brings together regulatory materials from all four member regulators, enabling easier access to and understanding of compliance requirements. The Library is expected to act as a “single source of truth” for industry: to reduce the time organisations spend locating relevant regulatory information, support more consistent interpretation across regimes, and act as a shared reference point to inform investment and development decisions.

In September 2025, the [DRCF secured £800,000 from the Regulatory Innovation Office's \(RIO\) AI Capability Fund](#) to develop the prototype Digital Regulation Library.

To develop the tool, we began by engaging with stakeholders on what would deliver the most benefit for industry and how we can make it easier to find guidance and reduce burden on innovators for compliance.

User testing with participants is now underway, with a view to further review of the prototype and its position in the market next year. You can read about our plans for the future of the Digital Library in the 2026/27 DRCF Workplan, published alongside this report.

Financial services and data protection

In May last year, the ICO and FCA held a joint roundtable with industry leaders to better understand the barriers to implementing AI within their businesses and explore how both regulators can work to support responsible innovation.

In June, following the roundtable, John Edwards, the Information Commissioner, and Nikhil Rathi, Chief Executive of the Financial Conduct Authority (FCA) published a joint article on their efforts to support innovation in the UK: '[Tech, Trust and Teamwork: How the FCA & ICO are Helping Innovation Take Off](#)'. The article discusses how the ICO and FCA are working together to support innovation through: the [FCA's AI Lab](#) and the [ICO's Regulatory Sandbox](#), industry engagement to understand the challenges firms face when deploying AI, and ensuring each regulator fully understands the other's guidance and activities in support of AI adoption.

Since the industry roundtable, the ICO and FCA have continued collaborating closely on topics where their regimes interact. In December 2025 they [published a Joint Statement on Targeted Support and Direct Marketing regulation](#), and continue working together to ensure clarity about FCA's expectations under the Consumer Duty - and the relevant data protection considerations [when firms are seeking to support consumers in vulnerable circumstances](#).

Data protection, sector regulation and competition

The ICO and CMA have continued to work closely together throughout the year to promote common objectives for data protection, consumer protection and promoting competition. Both regulators have closely collaborated in the implementation of the DMCC Act, as per their [Memorandum of Understanding](#) of December 2024.

They have also collaborated on the CMA's Strategic Market Status (SMS) Investigations into [Google's general search and search advertising services](#) and [Apple's](#) and [Google's](#) mobile platforms. Updates to this work, including on how the CMA has worked with our member regulators to ensure that competition and privacy are protected, have been published by the CMA throughout the year.^{2,3} Furthermore, the ICO has engaged with CMA on other areas of shared interest, including privacy enhancing and innovative approaches to online advertising, data portability and cloud markets, to ensure that regulatory policies in these areas remain coherent. This engagement aligns with new ICO duties - introduced through the Data (Use and Access) Act 2025 - to have regard to the desirability of promoting innovation and competition and to consult other regulators where appropriate.

In addition, the CMA has worked closely with the FCA and Ofcom in its first SMS investigations into Google and Apple in line with the relevant Memoranda of Understanding. The CMA has taken a tailored approach, seeking input on various issues within the cases from fellow regulators where appropriate.

-
- 2 Updates to the CMA's SMS investigation Google's general search and search advertising services can be found through the following link: [Google's general search and search advertising services - GOV.UK](#).
- 3 Updates to the CMA's SMS investigations into Apple and Google's Mobile Platforms can be found through the following links: [Apple's mobile platform - GOV.UK](#), [Google's mobile platform - GOV.UK](#).

Protecting and empowering people online

Key publications

[The DRCF Responsible AI Forum 2026: “We shape our tools, and thereafter our tools shape us” | DRCF](#)

[DRCF Insights: What the UK Told Us About AI Adoption and Digital Regulation | DRCF](#)

[Untangling the regulatory landscape: How DRCF member regulators are joining forces to tackle scams and fraud | DRCF](#)

AI

Supporting the responsible use of AI technologies continues to be central to DRCF activities, delivering against every aspect of our three-year vision.

Over the past year, the DRCF has convened a series of inter-regulator discussions on emerging regulatory approaches to specific AI challenges. These sessions featured contributions from the Bank of England and Ofgem and explored topics such as agentic AI, the opportunities and risks of open-source AI, and online choice architecture. These discussions have enabled regulators to exchange and deepen their understanding of emerging topics, explore how their regulatory regimes might apply and identify potential points of tension, overlap or gaps.

The DRCF has continued to champion the responsible use of AI. Our second *DRCF Responsible AI Forum*, which we hosted on 10 March 2026, convened stakeholders from Government, regulators, industry, academia and civil society to discuss the potential implications of AI and the future of AI in UK society. At this year’s event, we showcased how regulators are tackling the potential challenges of AI and how effective consumer protection will support public confidence in using AI applications, promoting growth and innovation within the UK. The event hosted expert panel discussions on critical AI-related topics including governance, online choice architecture, agentic AI, consumer protection, public section adoption, AI in FinTech and children’s use of AI chatbots. You can read more about this year’s event in our article, [‘The DRCF Responsible AI Forum 2026: “We shape our tools, and thereafter our tools shape us”’](#).

In April this year, we published an article [‘DRCF Insights: What the UK Told Us About AI Adoption and Digital Regulation’](#), exploring 5 key lessons we learned from a large-scale survey and series of interviews with senior representatives from government, regulators, AI service providers, law firms and businesses who are deploying AI in their work.

Online choice architecture

All our member regulators have an interest in ensuring that online choice architectures are not designed in ways that are harmful or deceptive. This builds on previous work, including a [joint paper](#) on harmful design in digital markets from the ICO and the CMA.

During the *DRCF Responsible AI Forum*, we convened a panel discussion on potential harms, risks, and interventions to benefit internet users. Panellists from regulators and industry discussed how AI may change the way in which consumers interact with online platforms in the future, including the potential risks and opportunities of personalisation.

Online safety

The DRCF and its member regulators are committed to ensuring that people are safe online. This year, Ofcom and ICO have continued to work closely together to support their intersecting aims of helping users safely navigate online services with their privacy protected. For example, Ofcom supported the ICO in developing its guidance on [profiling tools](#) in July 2025. The ICO has responded to Ofcom's consultations for guidance on [Technology Notices](#), [Online Safety](#), ['A safer life online for women and girls'](#) and updated [Online Safety Information Powers](#). Ofcom and the ICO continue to cooperate on their respective investigations into Grok AI.

Ofcom and ICO are collaborating on age assurance and the protection of children online. In March 2025, they held a joint workshop at the Global Age Assurance summit, where they presented evidence and learnings from Ofcom's supervision of Video Sharing Platforms and Online Safety and the ICO's [Children's code strategy](#). The workshop helped industry understand both regulators' approach to and priorities on age assurance, and how they work together to protect children and adults online.

Their collaboration has extended to joint internal workshops on age assurance and recommender systems. These workshops have allowed the ICO and Ofcom to foster alignment in these policy areas and clarify their respective roles in enforcement and supervision. In March this year, the ICO and Ofcom issued an [open letter](#) to tech firms asking them to strengthen age assurance measures to prevent children accessing services that are not designed for them, and published a [joint statement](#) about the main areas of interaction between online safety and data protection as they relate to age assurance.

Fraud and scams

Prevention of fraud and scams is of utmost importance to all our member regulators, including the identification and mitigation of threats arising from new technologies and their applications. To explain our respective regulatory remits, in December we published an article '[Untangling the regulatory landscape: How DRCF member regulators are joining forces to tackle scams and fraud](#)'. The article outlines the activities, guidance and powers held by our member regulators, and the supportive role the DRCF has played in helping its members share insights and consider emerging harms.

This year we have hosted 5 inter-regulator meetings with stakeholders of shared interest, including Stop Scams UK, the National Trading Standards e-Crime Team and the Home Office. The meetings allowed our member regulators to discuss their work with key external stakeholders as well as to identify potential overlaps between their projects and leverage opportunities for collaboration.

Supporting regulator effectiveness

Attracting talent and developing skills

In 2025/26 the DRCF has continued to promote digital knowledge and skills among member regulator staff. This year we held 15 guest speaker sessions on varied topics of digital policy and governance, including synthetic media, behavioural insights, innovation services and online decision-making and consumer use, awareness and understanding of generative AI. Over the year, more than 1000 attendees from member regulators have taken part in these events, as well as guest attendees from other public bodies (such as the Bank of England). We circulate a regular digest of international digital regulatory developments to staff in our member regulators.

We have continued to support career development through our cross-regulator graduate scheme, seconding graduates both between member regulators and into the DRCF core team. These secondments give graduates a broader perspective on digital regulation, as well as establishing closer ties between member regulators.

We have continued to organise and deliver the Digital Skills Mentoring Programme in partnership with UKRN. Following the successful conclusion of our first mentoring cohort, we now have a second cohort in place with 48 mentor-mentee pairings. The Programme supports participants in the exchange of digital regulation expertise, skills and opportunities, while deepening meaningful connections across regulators.

This year, in partnership with the FCA, we enabled a cross-DRCF senior cohort to attend an immersive two-day training course on Leading in the Age of Data and AI. The course is designed to help regulatory leaders prepare for and lead AI-driven transformation, and the cross-regulator cohort enabled participants to better understand other regulators' perspectives while also facilitating deeper working relationships.

Advanced regulatory technologies

In line with the Government's AI Opportunities Action Plan, each DRCF member regulator is continuing to build capabilities in the use of AI within its regulatory activities. This year, the DRCF has supported our member regulators' adoption of AI through a series of 6 cross-regulator deep dive sessions, designed to share best practices and lessons learned from each regulator's adoption of AI tools. The topics covered in these sessions include governance frameworks, evaluation frameworks, summarisation, prompt engineering, generative AI adoption, and detection of harmful design patterns. Collectively, the sessions have provided a crucial opportunity for regulators to learn from each other's experiences, thereby strengthening regulators' ability to deploy AI at scale and at pace while saving experimentation costs.

Streamlining collaborative processes

This year we have continued to work with our member regulators to streamline processes that enable collaboration, such as on pathways that enable information to be shared while protecting each regulator's legal and practical confidentiality requirements.

Anticipating future developments

Key publications

[The Future of Agentic AI | DRCF](#)

[DRCF Insights: The Future of Smart Data | DRCF](#)

[DRCF Insights: Smart Data Frameworks | DRCF](#)

[The Future of Open Finance and Smart Data: Joint Insights from the FCA and ICO | DRCF](#)

Horizon scanning

The DRCF's horizon scanning function leverages the collective expertise within our member regulators to identify potential opportunities and benefits, risks, and regulatory implications of emerging technologies. By working together, our member regulators build a shared understanding of technological advancements and innovation trends to inform their responses to the opportunities and challenges coming from new technologies. This year the Horizon Scanning team focussed on two critical areas: Cybersecurity and Agentic AI.

In April 2025, we began our work to build our understanding and inform wider stakeholders of how emerging technologies could present risks and opportunities for the future cybersecurity landscape, focusing on strategic trends and issues. In October 2025, this work culminated in our [Cybersecurity and Emerging Technologies in 2030](#) event in which we convened an audience of around 90 people for half a day's discussion with external speakers and panellists from industry, academia, regulation, and government. The event explored how emerging technologies such as AI and quantum are reshaping the cybersecurity landscape and adjacent industries. The event demonstrated how regulators approach the cross-cutting nature of cybersecurity through their existing work, the impact of legislative developments and the importance of collaboration between regulators, industry and society.

In March 2026 we published a report '[The Future of Agentic AI](#)', a forward-looking exploration of Agentic AI and how DRCF regulatory tools can help ensure safe adoption, maximising opportunities and minimising risks. Drawing on insights from experts from each of our regulators and from the Thematic Hub's [Call for Views](#), the paper sets out potential future developments in Agentic AI, and early thoughts on their cross-regulatory implications for governance, data protection, cybersecurity, consumer protection and markets. The paper highlights that regulation should act as an enabler of innovation, ensuring that emerging technologies develop in ways that promote economic growth and competition while protecting consumers and their rights.

The report has helped our member regulators understand the strategic implications of potential future scenarios involving Agentic AI systems. Following its recent publication, this paper will continue to inform each regulator's ongoing and future work on agentic AI, and we hope that it will inform and stimulate broader stakeholder debate.

Smart Data and digital ID

Smart Data schemes have the potential to unlock significant innovation and drive growth across the UK economy. They can allow consumers and businesses to safely share their data with authorised third parties (ATPs) to deliver a range of products and services.⁴ The UK economy has already benefited extensively from Open Banking, which has around 15 million users in the UK.⁵ Future schemes are expected to unlock significant benefits in sectors such as finance, energy and housing.

As the Government's ambition to support the future of smart data is likely to intersect with all four DRCF member regulators, the DRCF has made smart data a research focus this year, liaising with DBT on its plans and leveraging support from our British Academy Research Fellows. In March 2026 we published an article, '[DRCF Insights: The Future of Smart Data](#)', which presents our findings from interviews with industry, regulators, and civil society. The article dives into the likely future of smart data schemes and how to leverage cross-sector opportunities within the UK. Our findings highlight key points for consideration in the development of cross-sector smart data schemes and how innovation can be supported through cross-regulatory collaboration.

In conjunction with the article, we published our research paper, '[DRCF Insights: Smart Data Frameworks](#)'. This paper explores the range of governance structures, implementation models, and outcomes of leading international examples of data-sharing schemes. The report identifies strategic proposals for the UK's implementation of smart data schemes and offers insights on how the UK can foster an effective data sharing economy.

In July 2025, the DRCF published an article '[The Future of Open Finance and Smart Data: Joint Insights from the FCA and ICO](#)' which explores how both the ICO and FCA are collaborating to support the development of Open Finance. This followed ICO's participation in the [FCA's Open Finance Sprint in March 2025](#). Both regulators continue to work closely together to support innovation in the development of Open Finance.

While the policy landscape and regulatory expectations for digital ID have been in development this year, the DRCF has maintained a watching brief. We decided not to pursue our earlier plans to convene a symposium with industry, government and others pending settling of the policy landscape. Instead, we have convened a group of experts within our member regulators to discuss how regulators can ensure identity services are implemented safely and responsibly, taking account of our [horizon scanning research](#) from 2024.

⁴ [The Smart Data Roadmap](#)

⁵ [Open banking surges to 15 million UK users* as July marks record adoption - Open Banking](#)

Leading domestic and international discussions

Engagement

Across all projects discussed in this report and elsewhere, the DRCF engages with a large community to share and discuss our activities with those who are interested and to learn from others. Over the past year the DRCF has observed significant and growing interest in our work, both domestically and internationally. The DRCF 'model' has received international recognition and interest for its effectiveness in ensuring regulatory coherence, fostering collaboration and building collective skills and knowledge.

This year our engagement continues to be wide-ranging: domestically with UK Government and parliamentarians, regulation, academia, civil society and UK industry; and internationally through our counterparts in the International Network for Digital Regulation Cooperation (INDRC), international regulators and multinational corporations.

UK industry and civil society

Throughout the past year, the DRCF has continued to seek input from industry and civil society to support all our work. As discussed in this report, we sought written views from industry and civil society to inform the first theme of the Thematic Innovation Hub: Agentic AI and engaged in discussion via webinar and roundtables. We received a total of 220 responses to our Call for views and participants in our roundtables and webinar.

Besides the *Cybersecurity and Emerging Technologies in 2030* event and the *DRCF Responsible AI Forum*, the DRCF continued to lead conversations in critical areas of digital regulation. Over the past year, we contributed to major tech industry gatherings, including TechUK's Digital Ethics Summit, the Deloitte Digital Compliance event, the London Blockchain Conference, and the Data Science and AI Festival. These platforms allow us to amplify the voice of the DRCF and highlight the important role of our member regulators in supporting growth, driving innovation, and promoting the responsible use of AI in the UK.

Government and Parliament

The DRCF continues to observe strong governmental and parliamentary interest in its work and its relevance to areas of policy. The DRCF acts as a complementary digital and AI regulatory interface with government, in parallel with each regulator's own relationships. This year, our engagement has included:

- Collaboration with Department of Business and Trade (DBT) on smart data, sharing insights from our member regulators and research and supporting them in their development of the Smart Data Guidebook.
- Working with the Regulatory Innovation Office (RIO) and DBT on the delivery of our Digital Library prototype, including securing £800,000 from RIO's AI Capability Fund to support its development.
- Convening our member regulators to discuss shared priorities on AI with the AI Security Institute (AISi).

Over the past year we have spoken at a meeting of the Artificial Intelligence APPG, engaged with the Parliamentary Internet, Communications and Technology Forum and the Online Safety Act Network. The Joint Committee on Human Rights explored the DRCF's activities during Ofcom and ICO evidence to their inquiry on AI governance and human rights.

International

The International Network on Digital Regulatory Cooperation, the international forum of cross-regulatory bodies founded by DRCF in 2023, has grown in strength this year and adopted terms of reference. Besides its membership of regulatory collaboration fora in Canada, Australia, Ireland and the Netherlands, it has welcomed observer members from New Zealand, Germany and Japan. Examples of INDRC collaboration include:

- the Australian eSafety Commissioner presenting their newly adopted social media age restrictions, sharing policy thinking and early findings;
- the Irish Digital Regulators Group presenting on the Irish 'Sharenting' and 'reporting illegal content online' campaigns - with discussion around the impact and reach of both outputs.

There continues to be extensive international interest in the DRCF model, as other digital regulatory regimes increasingly seek ways to ensure coherence between mandates. As a result, we have frequently been asked to present on our work internationally. For example, in June 2025 the Canadian Privacy Commissioner invited CEO Kate Jones to present the DRCF's activities to the G7 Privacy Commissioners, as part of a conversation about digital regulatory collaboration. Similarly, in January 2026 the European Data Protection Supervisor invited Kate Jones to deliver a keynote speech at their conference on their proposed EU model of digital regulatory collaboration, the Digital Clearinghouse 2.0.

We have discussed aspects of the DRCF's work at the OECD and at a number of international conferences in Europe, North America and Asia with a view to promoting understanding and broad compatibility of regulatory models internationally, and exemplifying potential roles of regulators in enabling innovation and growth. For the first time this year, we presented the DRCF to a gathering of financial services regulators, finding great interest particularly in the interplay between financial services and privacy/data protection mandates. We have engaged bilaterally with other organisations from a range of jurisdictions including the Danish Agency for Digital Government on innovation initiatives, the Government of Bermuda and the Body of European Regulators for Electronic Communications (BEREC).

Conclusion

This year's Annual Report demonstrates success and impact of the DRCF as a vehicle for coordinated digital regulation in the UK.

Over the past year, we have again translated our three-year vision into concrete action. A notable achievement has been the completion of the UK's first cross-regulatory digital and AI advisory pilot and evolving it into a new thematic model, enabling earlier, more structured engagement with industry on emerging technologies such as Agentic AI. Innovators reported clearer regulatory expectations, reduced friction between regulators and increased confidence to expand operations in the UK. A second notable achievement is our delivery of the prototype Digital Regulatory Library, a "one-stop shop" for digital regulatory guidance across all four regulators, responding to industry feedback on the cost and complexity of navigating multiple regimes. Early user testing is underway in the new financial year, to explore the potential to reduce compliance burden and improve consistency.

A defining feature of the DRCF's work this year has been the depth of collaboration across regulators. Strong professional networks, shared learning and practical cooperation underpin much of our strategy and agenda. More widely, our horizon scanning, upskilling and research activities have further enhanced regulators' collective capacity to anticipate and respond to emerging risks and opportunities. Our engagement, both domestically and internationally, has helped shape wider conversations on the future of digital regulation.

Looking ahead, the DRCF remains committed to building on the foundations set out in this report: supporting innovation in a way that is safe and responsible, strengthening regulatory effectiveness, and continuing to develop a joined-up approach to digital regulation. As set out in our 2026/27 Workplan, we will continue to adapt, learn and collaborate in pace with technology developments, ensuring that the UK's digital regulatory system remains forward-looking and fit for the future.

