The Alan Turing Institute

# The AI Regulatory Capability Framework and Self-Assessment Tool

Christopher Thomas,
The Alan Turing Institute

Richard Beddard,
Department for Science, Innovation and Technology

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# Acknowledgements

We would like to thank everyone who took part in the co-design process, which has played a critical role in shaping and refining the AI Regulatory Capability Framework and Self-Assessment Tool. Invaluable input was provided by a diverse range of UK regulatory organisations, academic and policy experts, and government stakeholders.

The Framework and Self-Assessment Tool have been developed by the Alan Turing Institute. These resources have been informed by collaboration with The Department for Science, Innovation and Technology (DSIT) under the Government's Expert Exchange Programme.

This Framework builds upon AI regulatory capability research previously conducted at The Alan Turing Institute, including the report on Common Regulatory Capacity for AI,[1] and support in running the co-design process was provided by the AI Standards Forum for UK regulators, convened by The Alan Turing Institute.

[1] Aitken et al. (2022) *Common Regulatory Capacity for AI*. The Alan Turing Institute: https://www.turing.ac.uk/news/publications/common-regulatory-capacity-ai

# Executive Summary

Well-designed and implemented regulation, which addresses risks while supporting innovation, can provide a basis for safe and trustworthy AI, positively shaping AI development, and facilitating societally beneficial AI adoption.[2] On the other hand, poorly designed or implemented regulation can have the opposite effect, causing market confusion and stifling innovation, while failing to manage risks or build trust.[3] **Ensuring that AI regulation is well-designed and implemented is therefore a crucial foundation** for a flourishing UK AI ecosystem and a critical challenge to be addressed.

The AI Opportunities Action Plan reaffirms the **UK's decentralised regulatory approach for AI**, underpinned by the notion that the UK's expert regulators are best placed to understand AI risk, opportunities, and to manage the impacts of AI within their respective domains.[4] This regulator-led approach aims to enable the development of tailored guidance, appropriate to context-specific AI risks in different regulatory domains.[5]

**Justifying placing this responsibility on existing regulators, however, requires understanding whether they are adequately equipped** – as regulatory professionals, organisations, and as a broader regulatory system – to understand the risks and opportunities associated with AI, and to develop and implement effective regulation.[6] **This is the reason for developing the AI Regulatory Capability Framework and Self-Assessment Tool**, which aims to support UK regulators to build the capability to regulate effectively under the UK's approach.

This Framework defines AI regulatory capability broadly – drawing from the UNDP (1998) definition of the closely related term, "capacity"[7] – as: *"An ability of individuals, organisations, and systems to perform AI regulatory functions effectively, efficiently, and sustainably across the lifecycle, to achieve defined strategic and policy objectives for AI regulation."*

The Framework provides a **reference point** for using the regulatory **Capability Self-Assessment Tool** and comprises three core informational elements. These are: (1) activities for AI regulation, (2) capabilities for AI regulation, and (3) good practice for AI regulation.

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[2] Farmer, H. (2021) *Regulate to Innovate*. Ada Lovelace Institute: https://www.adalovelaceinstitute.org/report/regulate-innovate/
[3] UK Department for Science, Innovation and Technology (2023) *A Pro-Innovation Approach to AI Regulation*: https://www.gov.uk/government/publications/ai-regulation-a-pro-innovation-approach/white-paper
[4] UK Department for Science, Innovation and Technology (2025) *AI Opportunities Action Plan:* https://www.gov.uk/government/publications/ai-opportunities-action-plan/ai-opportunities-action-plan
[5] See footnote 3.
[6] Aitken et al. (2022) *Common Regulatory Capacity for AI*. The Alan Turing Institute: https://www.turing.ac.uk/news/publications/common-regulatory-capacity-ai
[7] United Nations Development Programme (1998) *Capacity Assessment and Development In a Systems and Strategic Management Context*: https://digitallibrary.un.org/record/1488762?ln=en&v=pdf
See section 2.3 Methodology for an explanation of the relationship between the two terms and why the term "capability" is preferred in this report.

The Framework maps out 28 discrete **regulatory activities** involved in developing and implementing AI regulatory policy, which are categorised under six key **regulatory stages** that comprise the overall **regulatory lifecycle**:

- Agenda and objective setting
- Formulating rules, norms, and guidance
- Regulatory engagement and uptake
- Information gathering and compliance monitoring
- Responding to non-compliance
- Evaluating and updating policy

The Framework outlines six **capability factors** which interact to determine a regulator's overall capability to develop and implement AI regulatory policy. These are:

- Legal, regulatory, and administrative
- Financial resource
- Infrastructure, tools, and technology
- Research, development, and intelligence
- Experience, skills, and expertise
- Leadership, culture, and communication

The Framework sets out **17 capability statements**, which describe the capability factors and summarise good practice for effective AI regulatory policy delivery. The statements **provide a benchmark to guide users in completing a self-assessment**. The statements were developed in consultation with UK regulatory organisations, by interpreting the capability factors in relation to the stages and activities in the regulatory lifecycle and summarising their requirements. The 17 capability statement headings are shown below:[8]

- *Legal, regulatory, and administrative*
  - Regulatory objectives, duties, and powers
  - Policy objectives and expectations
  - Regulatory autonomy and legitimacy
  - Managing regulatory impacts
  - Information flows

- *Financial resource*
  - Capital and resource funding

- *Infrastructure, tools, and technology*
  - Data collection and analysis
  - Methodological frameworks

- *Research, development, and intelligence*
  - Research and development
  - Monitoring and intelligence gathering
  - Horizon scanning

[8] See Section 5. The AI Regulatory Capability Framework for the full capability statements.

- *Experience, skills, and expertise*
    - Experience, skills, and expertise within organisation
    - Access to external experience, skills, and expertise

- *Leadership, culture, and communication*
    - Organisational leadership and culture
    - System-level leadership and culture
    - Intra-organisational collaboration
    - Inter-organisational collaboration

The Framework and Self-Assessment Tool offer **three optional levels of assessment**, differing in their level of detail, which are designed to support the needs associated with different roles and responsibilities within a regulatory organisation:

1. **The Summary Assessment**
    - Used to provide a high-level snapshot of an organisation's AI regulatory capability and distil key insights and recommendations.
2. **The Regulatory Stage Assessment**
    - Used to assess an organisation's overall AI regulatory capability in more detail, across each of the stages of the regulatory lifecycle.
3. **The Regulatory Activity Assessment**
    - Used to assess an organisation's AI regulatory capability at a specific stage of the regulatory lifecycle and to hone in on specific activities of interest or concern.

The UK has a diverse regulatory ecosystem, and each regulatory organisation has its own unique operating context and faces unique challenges. **This Framework is intended to provide a common basis** for discussion and shared model of good practice, but **no single Framework can fully reflect the unique circumstances of each regulator**. Regulatory organisations can use this resource flexibly, to highlight those areas that are most relevant to them.

# Navigating this document

This report is structured in two parts:

**(1) Capability for AI regulation**
**(2) Resources**

**Part one: Capability for AI regulation** establishes the conceptual foundations of AI regulatory capability, the background and motivations for the AI Regulatory Capability Framework and Self-Assessment Tool, and instructions for their use.

- **Section 1** introduces the Framework and Tool, highlighting why they have been developed, how they work, and who should use them. This section summarises the aims of the Framework and Tool in a Theory of Change.

- **Section 2** sets out important background for the Framework and Tool, defining "capability" and the related term "capacity", outlining the contribution of this document to AI regulatory capability research and assessment, and outlining the methodology used to develop the Framework and Tool.

- **Section 3** describes the three constituent elements of the AI regulatory Capability framework: (1) Activities for AI regulation (2) Capabilities for AI regulation and (3) Good practice for AI regulation.

- **Section 4** provides detailed instructions and annotated diagrams showing how to use the Framework and Tool.

**Part two: Resources** contains the AI Regulatory Capability Framework and Self-Assessment Tool, for use by regulatory organisations.

PDF versions of the resources can be used for reference, and **editable versions of the assessment templates can be found in a separate excel workbook**, alongside this combined publication.

- **Section 5** contains the AI Regulatory Capability Framework.

- **Section 6** contains the AI regulatory activities glossary, providing supplementary information on the 28 AI regulatory activities.

- **Section 7** contains the AI regulatory capabilities glossary, providing supplementary information and examples of the capability requirements summarised in the capability statements.

- **Section 8** contains the AI Regulatory Capability Self-Assessment Tool.

# *Part one: Capability for AI regulation*

# 1. Introduction

## 1.1 Why develop an AI Regulatory Capability Framework and Self-Assessment Tool?

AI systems are being deployed across the UK economy at **increasing scale, with ever-broader scope, and with growing capabilities**. This tripartite acceleration is increasing the urgency of how to effectively harness the benefits and manage the risks of AI. 2025 saw **major technical breakthroughs** in agentic AI systems, multi-agent systems, and multi-modal AI.[9] Alongside this however, 2025 saw **significant AI harms** including teen suicide linked to ChatGPT,[10] increasing AI-powered election disinformation and deepfakes,[11] and the use of generative AI to conduct cyberattacks.[12]

Well-designed and implemented regulation, which addresses risks while supporting innovation, can provide a basis for ensuring that safe and trustworthy deployment of AI systems, positively shaping AI development, and facilitating societally beneficial AI adoption throughout the economy.[13] However, poorly designed or implemented regulation can have the opposite effect, causing confusion in the market, stifling innovation, and failing to manage risks and build trust.[14] **Ensuring that AI regulation is well-designed and implemented is therefore a crucial foundation** for a flourishing UK AI ecosystem and a critical challenge to be addressed.

Public attitudes in the UK reinforce the importance of implementing effective AI regulation. A nationally representative survey conducted by the Ada Lovelace Institute and The Alan Turing Institute in 2024/25 found that **72% of the UK public think that laws and regulation would increase their comfort with AI**, a 10% increase from 2022/23. And **89% of people highlighted a desire for independent regulation and impartial oversight of AI**.[15]

In January 2025, the **AI Opportunities Action Plan reaffirmed the UK's decentralised regulatory approach for AI**, underpinned by the notion that the UK's expert regulators are best placed to understand AI risk and opportunities, and to manage the impacts of AI within their respective domains.[16] This regulator-led

[9] Maslej, N. et al. (2025) *The AI Index 2025 Annual Report.* Institute for Human-Centered AI, Stanford University: https://hai.stanford.edu/ai-index/2025-ai-index-report
[10] Booth, R. (2025) *Teen Killed Himself After 'Months of Encouragement from ChatGPT', Lawsuit Claims*. The Guardian: https://www.theguardian.com/technology/2025/aug/27/chatgpt-scrutiny-family-teen-killed-himself-sue-open-ai
[11] Bentzen, N. (2025) *Information Manipulation In the Age of Generative Artificial Intelligence.* European Parliamentary Research Service: https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI(2025)779259
[12] Anthropic. (2025) *Disrupting the First Reported AI-Orchestrated Cyber Espionage Campaign.* Anthropic.com: https://www.anthropic.com/news/disrupting-AI-espionage
[13] Black, J. & Murray, A. (2019) "Regulating AI and Machine Learning: Setting the Regulatory Agenda". *European journal of Law and Technology. 10, 3*: https://eprints.lse.ac.uk/102953/
Farmer, H. (2021) *Regulate to Innovate*. Ada Lovelace Institute: https://www.adalovelaceinstitute.org/report/regulate-innovate/
[14] UK Department for Science Innovation and Technology (2023) *A Pro-Innovation Approach to AI Regulation*: https://www.gov.uk/government/publications/ai-regulation-a-pro-innovation-approach/white-paper
[15]Modhvadia, R. et al. (2025) *How do People Feel About AI*. Ada Lovelace Institute &The Alan Turing Institute: https://attitudestoai.uk/
[16] UK Department for Science Innovation and Technology (2025) *AI Opportunities Action Plan:* https://www.gov.uk/government/publications/ai-opportunities-action-plan/ai-opportunities-action-plan

approach aims to enable the development of tailored guidance, appropriate to the context-specific AI risks in different regulatory domains.

**Justifying placing this responsibility on existing regulators, however, requires understanding whether they are adequately equipped** – as regulatory professionals, organisations, and as a broader regulatory system – to understand the risks and opportunities associated with AI, and to develop and implement effective regulation. **The AI Regulatory Capability Framework and Self-Assessment Tool are designed to support UK regulators to address this challenge**.

## 1.2 How it works

The **AI Regulatory Capability Framework and Self-Assessment Tool** are voluntary resources for regulatory organisations and related key decision makers (e.g., sponsor departments, boards, executive committees etc.) to **understand** capability requirements for regulating AI**,** to **evaluate** existing capability, and to support constructive and precise conversations about how to **address** capability gaps.

The Framework and Tool offer a common basis for analysing AI regulatory capability in relation to the different stages and activities throughout the regulatory lifecycle. The Framework provides a **reference point** for using the regulatory **Capability Self-Assessment Tool.**

There are **three optional levels of assessment**, increasing in detail, designed to support different user needs. The (1) Summary Assessment can be used to provide a high-level overview of an organisation's capability, while the (2) Regulatory Stage Assessment and (3) Regulatory Activity Assessment can be used to hone in on areas of relevance or concern. **Different self-assessment levels will be suited to different roles and responsibilities** within the regulatory organisation.[17]

## 1.3 Who should use it

**AI is a general-purpose** technology which will impact most if not all regulatory remits. There is a huge amount of **diversity across the UK regulatory system**, with **significant differences** in:

- Statutory foundations
- Regulatory purposes and objectives
- Regulatory powers, duties, and duty holders
- Operating models, sizes, and regulatory scopes

Delivering an effective and coherent regulatory approach in the UK will require understanding – on an individual basis – what an AI-capable regulator looks like, and

[17] See section 4.3.2 The three Self-Assessment levels explained.

– collectively – what an AI-capable regulatory system looks like, in relation to these diverse characteristics.

Building AI regulatory capability across this diverse system requires a Framework and Self-Assessment Tool that are:

a) **Generalisable** across the diverse regulatory system, whilst also

b) **Specific** enough to provide meaningful guidance to individual organisations

This Framework and Self-Assessment Tool are designed with both features in mind, to accommodate the diverse needs of all regulatory organisations across the system.

They are also designed to be used at different levels within a regulatory organisation. They can be used to address both working-level questions about capability for specific regulatory functions or activities, and executive-level or strategic questions about organisational capability. For example:

- An **executive team** may want to commission an assessment to inform future funding allocations for building AI capability within the organisation.

- An **AI policy lead** may want to conduct an assessment on behalf of the organisation to formulate recommendations for senior leadership.

- A regulatory **monitoring and/or enforcement team** may want to self-assess the capability of their regulatory function and implement changes within their team.

## 1.4 Theory of Change

By supporting regulatory organisations to understand, evaluate and address their AI regulatory capability needs, the Framework and Self-Assessment Tool aim to address the commitment in the AI Opportunities Action Plan to ensure regulators are “fit for the age of AI”.

Under a **five-step theory of change**, regulators can use the Framework and Self-Assessment Tool, in collaboration with regulatory peers and associated decisionmakers (e.g. the regulators’ sponsor departments, boards or executive committees) to:

1) Build a shared understanding of the:
    a) **Activities** involved in regulating AI
    b) **Capabilities** needed to deliver these activities effectively and efficiently
2) Evaluate and build a shared understanding of **relevant capability gaps** across the system
3) Understand and communicate **actions to address capability gaps**:
    a) By the regulatory organisation (internal interventions)
    b) By government (external interventions)
4) **Take action** to address gaps, improve capability and AI regulatory delivery
5) **Monitor changes** in capability over time and re-evaluate

# 2. Background

## 2.1 What do we mean by capability?

The definition of "regulatory capability" which underpins this Framework draws from the UNDP 1998 definition of the related concept of "capacity." **For this project, we have substituted the term "capability" to refer broadly to**:

> *"An ability of individuals, organisations or systems to perform appropriate functions effectively, efficiently and sustainably."*[18]

While "capability" is sometimes interpreted narrowly as referring to skills and knowledge, "capacity" is frequently used in a UK working context to refer narrowly to the resources of an individual, team or organisation. We have therefore chosen the term "capability" to signify the ability to perform a broader set of functions. Use of the term "capability" also **ensures consistency with existing UK Government terminology** and previous strategic publications on AI regulation.[19]

Therefore, in this Framework the term "AI regulatory capability" broadly encompasses:

> *An ability of individuals, organisations, and systems to perform regulatory functions effectively, efficiently, and sustainably across the lifecycle, to achieve defined strategic and policy objectives for AI regulation.*

This Framework borrows similarly from the UNDP 1998 definition of "capacity building":

> *"The process by which individuals, groups, organisations, institutions and societies increase their abilities to:*
>
> *1. Perform core functions, solve problems, define and achieve objectives*
>
> *2. Understand and deal with their development needs in a broad context and in a sustainable manner"*

One important feature of these definitions is the linkage between capability and the "objectives" of an individual, organisation, or system.[20]

**Understanding what capability is required *for* in the context of AI regulation is crucial** to understanding which capabilities (of individuals, organisations, and

[18] United Nations Development Programme (1998) *Capacity Assessment and Development in a Systems and Strategic Management Context*: https://digitallibrary.un.org/record/1488762?ln=en&v=pdf

[19] UK Department for Science, Innovation and Technology (2025) *AI Opportunities Action Plan:* https://www.gov.uk/government/publications/ai-opportunities-action-plan/ai-opportunities-action-plan
See also previously, UK Department for Science, Innovation and Technology (2024) *Implementing the UK's AI Regulatory Principles, Initial Guidance for Regulators:* *https://assets.publishing.service.gov.uk/media/65c0b6bd63a23d0013c821a0/implementing_the_uk_ai_regulatory_principles_guidance_for_regulators.pdf*

[20] See section 3.2 for further discussion on individual, organisational, and system level capability.

systems) are relevant for achieving those objectives, and how they can and should be built.

To underpin an objectives-focused strategy for building AI regulatory capability, this Framework situates AI regulatory capabilities in the context of the specific activities required for the development and implementation of AI regulatory policy. This is referred to as an **action-oriented approach** to AI regulatory capability.

## 2.2 Research context and contribution

The Framework and Self-Assessment Tool expand upon prior research conducted at The Alan Turing Institute, particularly the **Common Regulatory Capacity for AI report**, which lays the foundation for thinking about AI regulatory capability, establishing the key determinants of AI change-readiness for a regulatory organisation, with respect to both using and regulating AI.[21]

This work also builds on the UNESCO AI Readiness Assessment Methodology (RAM) which aims to highlight institutional and regulatory gaps for member states to implement the UNESCO recommendation on the Ethics of AI.[22] **Complementing the broad scope of the UNESCO RAM**, the AI Regulatory Capability Framework and Self-Assessment Tool establish a methodology specifically tailored to evaluating capability for delivering AI regulatory policy. This Framework and Self-Assessment Tool expand on previous work on AI regulatory capability and capacity in four important ways:[23]

### Analysing capability across the regulatory lifecycle

The Framework adopts an 'action-oriented' approach to capability building, defining the regulatory stages and constituent set of activities that a regulatory organisation may be expected to perform in developing and implementing AI regulation. Capabilities and good practices defined in the Framework are assessed in relation to the actions involved in regulating AI (i.e. the identified regulatory stages and activities), enabling more precise evaluation and discussion of regulatory capability, across the regulatory lifecycle.

### Developing a comprehensive conceptual model of AI regulatory capability

This Framework and Self-Assessment Tool address a broader scope of AI regulatory capabilities than previous work. The six capability factors outlined in the Framework, and the accompanying 17 good practice statements have been developed in consultation with regulatory organisations. They are designed to establish a comprehensive set of capabilities – across the system, organisational, and individual levels – which interact to determine a regulator's overall capability to develop and implement AI regulatory policy.

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[21] Aitken et al. (2022) *Common Regulatory Capacity for AI*. The Alan Turing Institute: https://www.turing.ac.uk/news/publications/common-regulatory-capacity-ai

[22] United Nations Educational, Scientific and Cultural Organisation (2023) *Readiness Assessment Methodology: a Tool of the Recommendation on the Ethics of Artificial Intelligence*: https://www.unesco.org/ethics-ai/en/ram

[23] See Section 2.3 Methodology for the full list of capacity and capability frameworks that informed this work.

**Emphasising the system-level determinants of AI regulatory capability**

This Framework expands consideration of structural (system-level) capability factors, such as the legal and statutory context within which a regulatory organisation operates. System-level capability factors are structural determinants of capability that regulatory organisations alone may not have the autonomy to influence. This Framework highlights the important role of government in building regulatory capability for AI, and the Self-Assessment Tool enables users to identify areas where government intervention is required, to support capability building.

**Developing a Self-Assessment Tool to evaluate AI regulatory capability.**

The Self-Assessment Tool establishes the first comprehensive and consistent approach for AI capability assessment across the regulatory system. By identifying the activities typically undertaken throughout the regulatory lifecycle, the factors which contribute to overall capability, and combining these to develop good practice capability statements to guide evaluation, the Framework provides a reference point for precise and action-guided evaluation of an organisation's AI regulatory capability. The Self-Assessment templates and scoring criteria enable regulatory organisations to evaluate their capability at the desired level of detail and develop a strategy and business case for building capability.

## 2.3 Methodology

### 2.3.1 Defining activities, capabilities, and good practice for AI regulation

**Defining activities**

To determine an accurate picture of AI regulatory capability, the Framework requires a view of **what exactly capability is *required for***.

A review of the regulatory literature was conducted to identify the activities associated with developing and implementing AI regulation, which could be applied consistently across the diverse regulatory system. This resulted in an **abstracted model of the regulatory lifecycle** composed of six composite regulatory lifecycle stages.[24]

The next step was to interpret these technology and sector-neutral stages within the context of AI regulatory policy development. AI regulatory activities were drawn from a combined review of regulatory policy literature, governance and regulation literature, UK government and regulators' AI publications.

[24] Eberlein, et al. (2014) "Transnational Business Governance Interactions: Conceptualization and Framework for Analysis". *Regulation and Governance 8, 1-21*: https://onlinelibrary.wiley.com/doi/epdf/10.1111/rego.12030
Heyvaert, V. (2018) *Transnational Environmental Regulation.* Cambridge University Press: https://www.cambridge.org/gb/universitypress/subjects/law/environmental-law/transnational-environmental-regulation-and-governance-purpose-strategies-and-principles?format=HB
Black, J. (2002) *Critical Reflections on Regulation.* ESRC Centre for Analysis of Risk and Regulation, London: https://eprints.lse.ac.uk/35985/
HM Treasury (2022) *The Green Book*: https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government/the-green-book-2020

**28 discrete regulatory activities** are identified and mapped under the six regulatory lifecycle stages.

## Defining capabilities

AI regulatory capabilities were identified based on a **systematic, five-stage analysis of regulatory capability frameworks**, and informed by the AI regulatory policy literature.

We sifted potentially relevant documents based on our chosen definition of AI regulatory capability, identifying **15 frameworks** providing relevant approaches for assessing the capability of regulatory organisations.[25] We assessed each framework against **four criteria**:

- Assessment subject and target audience
- Assessment criteria
- Benefits of the framework (to include)
- Drawbacks of the framework (to exclude)

This analysis resulted in the **identification of six key capability factors**, composed of specific capabilities requirements which can be found in the capabilities glossary.[26] These capability factors provide the basis for the capability statements – which

[25] Aitken, et al. (2022) *Common Regulatory Capacity for AI*. The Alan Turing Institute: https://www.turing.ac.uk/news/publications/common-regulatory-capacity-ai
Australian Government Department of Finance (2025) *Regulatory Policy, Practice, and Performance Framework*: https://www.finance.gov.au/government/regulatory-reform
Eldridge, D. (2004) *Capacity Building for Regulation*. CRC Policy Brief, No. 4, 4: https://www.gov.uk/research-for-development-outputs/capacity-building-for-regulation
Hemmerling, J. et al. (2016) *Building Capabilities for Transformation That Lasts.* Boston Consulting Group: https://www.bcg.com/publications/2016/transformation-people-organization-building-capabilities-transformation-that-lasts
Institute for Healthcare Improvement (2023) "Building Capacity and Capability for Quality Improvement: Developing an Organisational Approach." *British Journal of Healthcare Management:* https://qi.elft.nhs.uk/wp-content/uploads/2023/06/bjhc.2023.0003.pdf
National Audit Office (2016) *Performance Measurement by Regulators*. NAO Insight – Good Practice Guides: https://www.nao.org.uk/insights/performance-measurement-by-regulators/
National Audit Office (2021) *Principles of Effective Regulation.* NAO Insight – Good Practice Guides: https://www.nao.org.uk/insights/principles-of-effective-regulation/
Office for Product Safety and Standards. (2016) *Core Competencies for Regulators*: https://www.gov.uk/guidance/core-competencies-for-regulators
Osifodunrin, E.A. & Lopes, J.D. (2022) "Theory and Determinants of Regulatory Effectiveness in a Formal Microinsurance Context: The Insurers Perspectives." *Journal of Governance & Regulation., 11(4):* https://virtusinterpress.org/IMG/pdf/jgrv11i4siart8.pdf
PUBLIC. *Regulatory Innovation Assessment Framework* [publication no longer accessible online]. For related detail see: https://www.public.io/blog-post/regulatory-innovation-in-the-face-of-ai-insights-from-a-cross-regulatory-discussion-on-innovation-compliance-and-growth
Regulatory Affairs Professionals Society (2021) *Regulatory Competency Framework*: https://www.conferenceabstracts.com/uploads/documents/13155/CompetencyFramework-RAPS_2021_Regulatory_Competency_Framework_final.pdf
World Health Organisation (2023) *Global Competency Framework for Regulators of Medicines*: https://www.who.int/publications/i/item/9789240078758
Sakoda, K. & Campos Garcia, A. (2024) *Building Regulatory Capacity Assessment (English).* World Bank Group: http://documents.worldbank.org/curated/en/099072424110040360
United Nations Educational, Scientific and Cultural Organisation (2023), *Readiness Assessment Methodology: a Tool of the Recommendation on the Ethics of Artificial Intelligence*: https://www.unesco.org/ethics-ai/en/ram
Vohra, S. et al. (2022) *Advancing from Practice to Performance.* Accenture: https://www.accenture.com/content/dam/system-files/acom/custom-code/ai-maturity/Accenture-Art-of-AI-Maturity-Report-Global-Revised.pdf#zoom=40

[26] See section 7. Regulatory capabilities glossary.

summarise good practice for effective AI regulatory policy delivery – and the capability assessment criteria.

**Defining good practice**

The **capability statements** were developed by interpreting the capability factors against the stages and defined activities across the regulatory lifecycle, in consultation with UK regulatory organisations. The action-oriented statements express the six capability factors in relation to the concrete stages and activities required for developing and implementing AI regulatory policy.

Capability statements are designed to **support user self-assessments, describing generalised pre-requisites for delivering AI regulatory activities**. The capability statements provide benchmarks which can be applied to regulatory stages or activities to assess a regulatory organisation's delivery capability in these areas.

### 2.3.2 Developing the Self-Assessment Tool and assessment criteria

The Self-Assessment Tool draws initially from the identification of "assessment criteria" and the identified benefits of frameworks reviewed in the five-stage analysis of regulatory capability frameworks.

The design of the tool was further informed by a review of literature covering methodologies relevant to the needs of regulators for understanding, evaluating, and addressing capability. These included regulatory capability and competency frameworks,[27] risk assessment and management frameworks,[28] evaluation frameworks,[29] maturity assessment frameworks,[30] and business and funding case frameworks.[31]

**The Self-Assessment Tool comprises quantitative and qualitative elements.** For the quantitative scoring, a simple Likert scale capability rating system was developed. Self-assessment scoring is intended as a reflective exercise to provide users with an initial, high-level estimate of their capability, to inform a more detailed qualitative assessment of their capability.

**The 5-point scale enables regulatory organisations to reflect on, and categorise their AI regulatory capability, across five levels of readiness**: (1) very low readiness to (5) very high readiness, with (3) adequate readiness as the midpoint.

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[27] See footnote 21.
[28] Cabinet Office (2017) *Management of Risk in Government: Framework*: https://www.gov.uk/government/publications/management-of-risk-in-government-framework
Government Finance Function & HM Treasury (2004) *The Orange Book Management of Risk – Principles and Concepts*: https://www.gov.uk/government/publications/orange-book/the-orange-book-management-of-risk-principles-and-concepts
[29] HM Treasury and Evaluation Taskforce (2011) *The Magenta Book: Central Government Guidance on Evaluation*: https://www.gov.uk/government/publications/the-magenta-book
[30] Australian Government Department of Finance (2025) *Australian Government Regulator Maturity Model: https://www.finance.gov.au/government/regulatory-reform/regulator-maturity-model-and-self-assessment-tool/about-regulator-maturity-model*
National Audit Office (2016) *Performance Measurement Good Practice Criteria and Maturity Model*. NAO Insight – Good Practice Guides: https://www.nao.org.uk/insights/performance-measurement-by-regulators/
[31] HM Treasury (2018) *Guide to Developing the Project Business Case*: https://www.gov.uk/government/publications/business-case-guidance-for-projects-and-programmes

Users have the option to score n/a where a specific regulatory function, activity, or capability is not relevant.

The rating scale is supplemented by **action-oriented scoring criteria**, to guide user assessments. The criteria define the extent to which an organisation's capability either constrains or enables its ability to deliver regulatory activities. User self-assessment scores are designed to be estimated by reading the activity descriptions provided and assessing against the benchmarks – provided by the capability statements – which outline good practice for delivering AI regulatory activities across the lifecycle.[32]

In the self-assessment, the capability scoring criteria is applied to (1) overall delivery capability and (2) the role of each of the six capability factors in constraining or enabling the delivery of regulatory activities.

The **qualitative aspect** of the assessment is designed to enable users to **build the evidence base** around their capability gaps and needs, to **justify a case and develop a strategy for building AI regulatory capability**. Drawing on business case documentation practices, the assessment enables users to highlight areas of interest, previous activities to build capability, proposed organisational activities, external support needs, risks and mitigations.

### 2.3.3 Stakeholder co-design

Stakeholder engagement, including a **formal co-design process** was crucial to the development of this framework. As the main users of this resource, **regulators** were engaged at each stage of its development. Independent **academic** and **policy** experts, and departments across **Government** were also consulted in the development of this resource.

UK regulators were also consulted in the development of initial Turing research on AI regulatory capability via interviews and workshops, prior to the development of the Framework and Self-Assessment Tool.

After the initial development of the Framework, UK regulators were involved in a formal co-design process between March and May 2025, via a **series of presentations, workshops, interviews, and in-depth pilots.** Regulators provided feedback and challenge which was integrated into the revised Framework and Tool. A redeveloped version was presented to selected regulators for review in July 2025. **Engagement was carried out with other Government departments and relevant teams to ensure alignment and coherence** with cross-government approaches to regulatory capability and to build on previous learnings and existing approaches.

[32] See section 4.4 Performing a Self-Assessment for full instructions.

# 3. The three core elements of the Framework

**The framework comprises three elements: activities for AI regulation, capabilities for AI regulation, and good practice for AI regulation**. Together, these elements provide a reference point for precise understanding and action-guided analysis of AI regulatory capability. The following sub-sections explain each of these three elements and their role in the Framework.

## 3.1 Activities for AI regulation

Discussions about AI regulatory capability can be **limited by a lack of precision** about the objectives for which capability is required, or exactly where capability gaps emerge in the process of regulating AI.

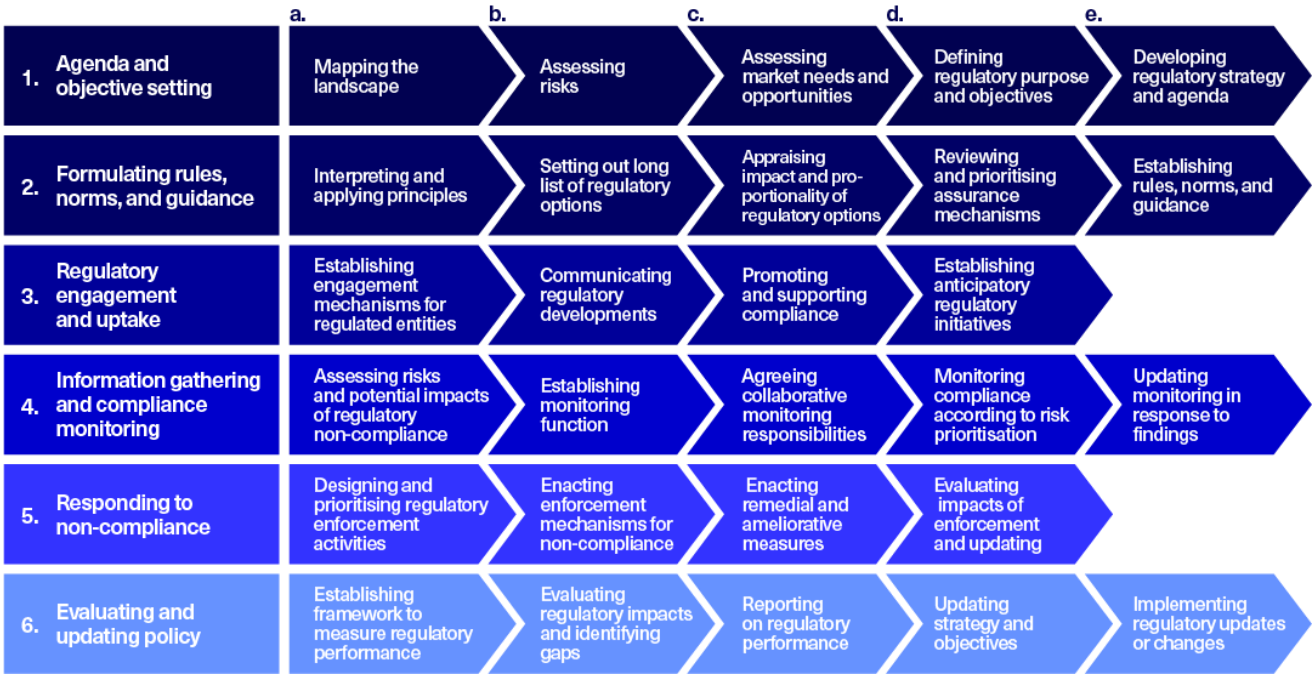
The first step in developing a Framework to support more precise and concrete conversations around AI regulatory capability therefore requires establishing a more detailed picture of the functions that regulatory organisations perform across the regulatory lifecycle.

The Framework presents an abstracted model of the regulatory lifecycle, highlighting **six key stages** of AI regulatory policy development and implementation.[33] The ordering of the six stages is not prescriptive, and there are **multiple feedback loops** between activities.


**Each stage of the regulatory lifecycle is constituted by a set of regulatory activities.** Descriptions of these activities can be found in the Regulatory Activity Assessment templates and the regulatory activities glossary.[34] The regulatory activities provide a reference point for evaluating AI capability across the regulatory lifecycle.

Given the variability of regulators, the Framework aims to be as comprehensive as possible. **Activities and their order** will differ between organisations, and some **may not apply** to a user's organisation. The graphic below provides a visual summary of activities across the regulatory lifecycle.

[33] See Footnote 24.
[34] See section 6. Regulatory activities glossary.




## 3.2 Capabilities for AI regulation

### 3.2.1 Capability factors

**Six capability factors** have been identified. These are the things that a regulatory organisation needs in order to deliver its AI regulatory functions.

**Capability factors are organised on a spectrum** which is based on the regulator's autonomy to influence the capability without external support.

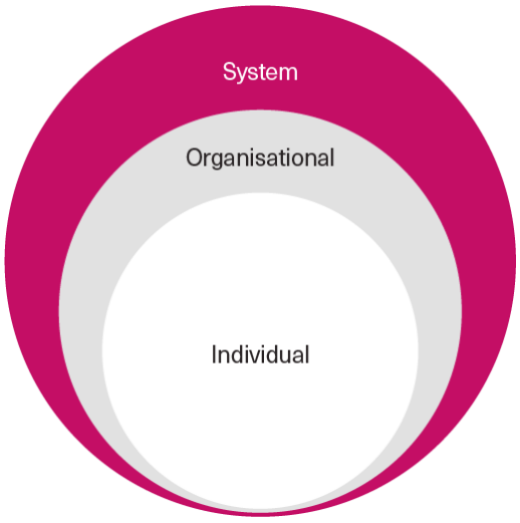
This ranges from **rigid capabilities** (those which the regulatory organisation has limited autonomy to influence) to **flexible capabilities** (those which the regulatory organisation has greater autonomy to influence). This ordering may look slightly different for each regulator; for example, a regulator which raises revenue may have greater autonomy over its financial resource.


The six factors on this spectrum have been developed to establish a comprehensive set of AI regulatory capabilities. Together, the **capability factors interact to determine a regulator's overall capability** to develop and implement AI regulatory policy.

These capability factors are applicable to each AI regulatory activity, but **some may be more relevant to certain activities.** For example, a regulatory organisation's legal, regulatory and administrative context will be particularly important for determining the types of regulatory interventions that are available, to govern the use of AI within its remit. Infrastructure, tools, and technology will likely be particularly relevant for market surveillance – gathering information and monitoring the use of AI within a regulatory remit.

| | |
|---|---|
| Legal, regulatory, and administrative | Clarity on AI policy approach and risk appetite; understanding of AI impacts on regulatory activity, and potential impacts of AI regulation; sufficient autonomy and legitimacy; adequate regulatory powers, aligned objectives and duties. |
| Financial resource | Capital and resource funding to support development and implementation of AI regulatory policy. |
| Infrastructure, tools, and technology | Data collection, analysis, and sharing infrastructure; regulatory tools and technologies; methodological and policy frameworks. |
| Research, development, and intelligence | Research and development, information gathering, and horizon scanning functions supporting innovation, adaptation and solution development. |
| Experience, skills, and expertise | Experience and expertise across AI knowledge domains and relevant sector verticals; training and upskilling programmes. |
| Leadership, culture, and communication | Adaptive, pro-innovation leadership and culture at the organisational and system-level; intra and inter-organisational cooperation. |

### 3.2.2 Three levels of regulatory capability




It is important to note that regulatory capability, and each capability factor established in this Framework, can be analysed at the system, organisational, and individual level as identified in the UNDP definition.[35] These levels of capability are **distinct but interrelated.**

Understanding capability needs at the system, organisational, and individual level is important as these levels provide **different entry points** for capability building initiatives.

The levels at which capability needs are identified will **impact the types of interventions** that are required.

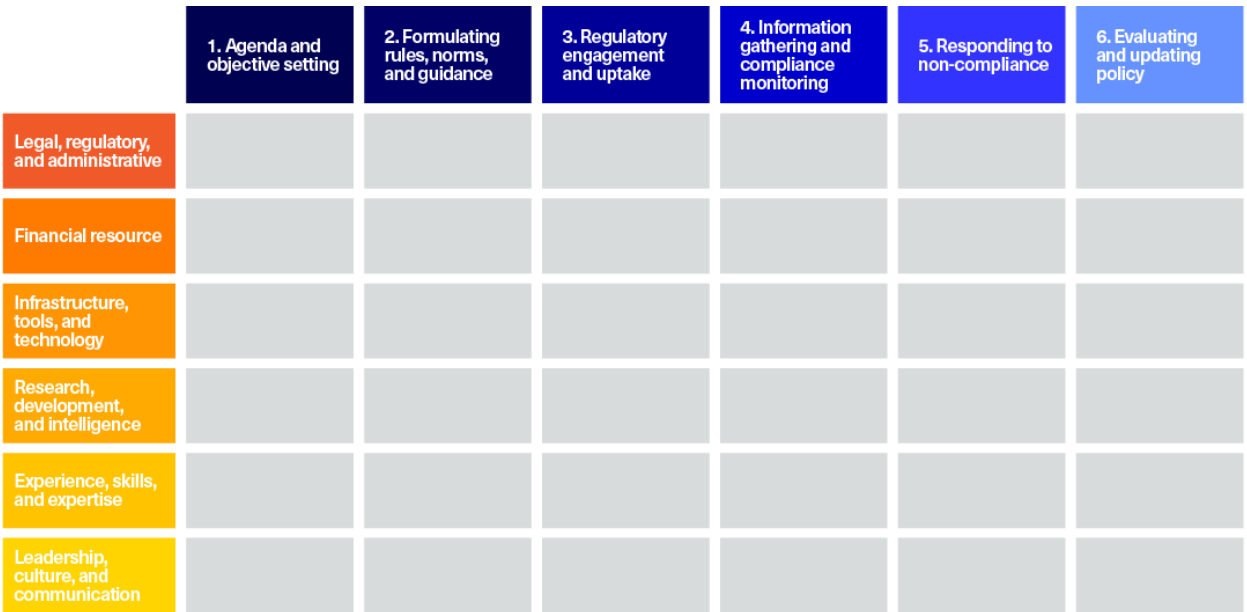
[35] See footnote 7.

Building regulatory capability for AI will require **attention to all levels.** The graphic below shows examples of capabilities at each level. Some capabilities are specific to a single level while others are present across different levels.

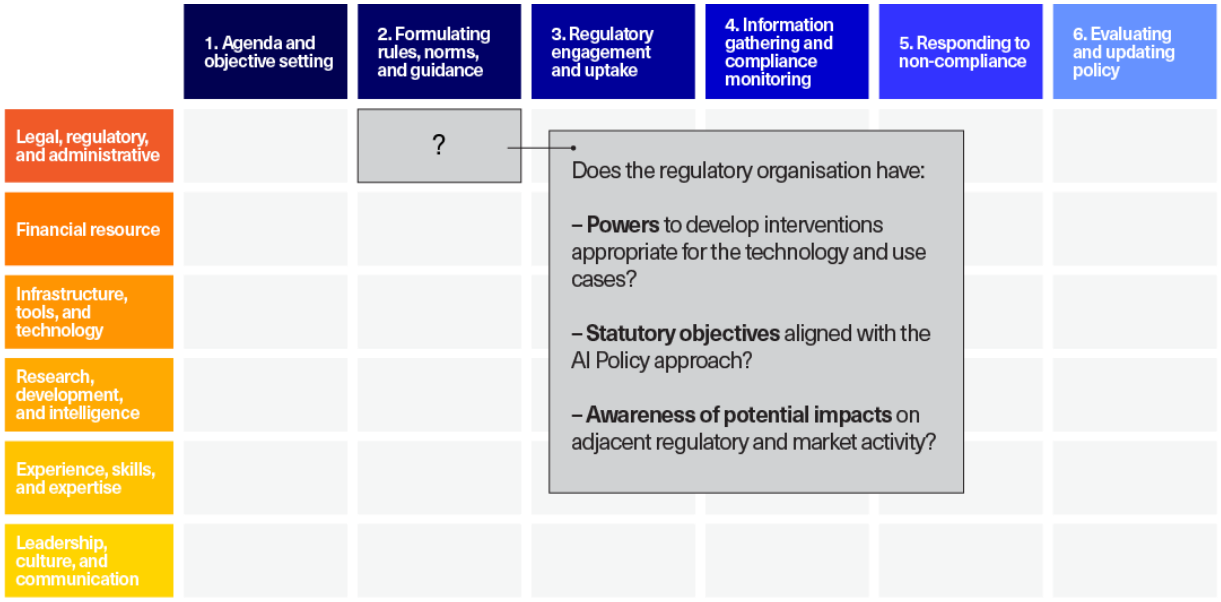

## 3.3 Good practice for AI regulation

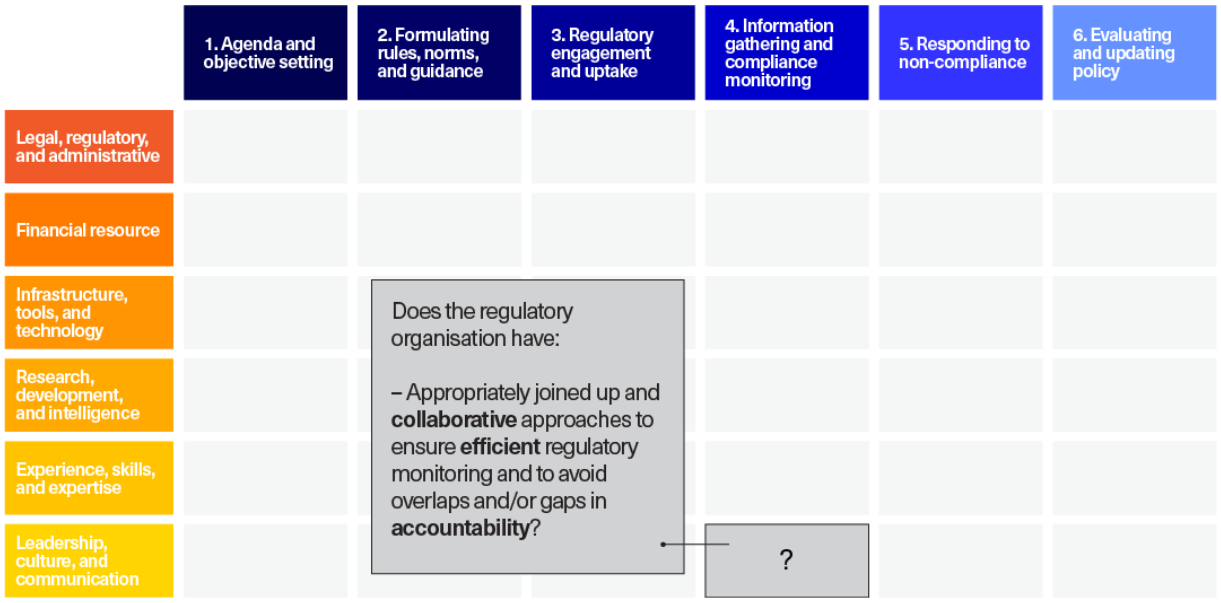
### 3.3.1 Mapping capabilities to the regulatory lifecycle model

The graphic below illustrates the Framework's conceptual design, which maps capabilities against the regulatory lifecycle stages. The Framework is designed to enable regulators to identify their capability needs for delivering specific activities under each stage of the regulatory lifecycle.



Action-oriented capability statements – highlighted in the Framework to benchmark good practice for delivering AI regulatory policy – have been developed by interpreting the capability factors at each stage and activity across the regulatory lifecycle factors and summarising capability requirements, in consultation with UK regulatory organisations.



### 3.3.2 Capability statements – defining what good looks like

Capability statements express the capability factors in relation to the **concrete stages and activities** of the regulatory lifecycle. The statements underpin the Self-Assessment Tool, describing generalised pre-requisites for regulatory delivery.

The statements establish benchmarks to guide users in:

1. **Understanding capability requirements** for specific regulatory stages and activities across the lifecycle.

2. **Evaluating AI regulatory capabilities** for regulatory stages and activities across the lifecycle.

3. **Making decisions and taking actions** to build AI regulatory capability across the lifecycle.

Capability statements provide general, non-prescriptive guidance. Some capability statements will be more relevant to certain activities than others, and similarly some will be more relevant to a user's team or organisation than others. The headings of the 17 capability statements are set out below.[36]

- ***Legal, regulatory, and administrative***
  - Regulatory objectives, duties, and powers
  - Policy objectives and expectations
  - Regulatory autonomy and legitimacy
  - Managing regulatory impacts
  - Information flows

- ***Financial resource***
  - Capital and resource funding

- ***Infrastructure, tools, and technology***
  - Data collection and analysis
  - Methodological frameworks

- ***Research, development, and intelligence***
  - Research and development
  - Monitoring and intelligence gathering
  - Horizon scanning

- ***Experience, skills, and expertise***
  - Experience, skills, and expertise within organisation
  - Access to external experience, skills, and expertise

- ***Leadership, culture, and communication***
  - Organisational leadership and culture
  - System-level leadership and culture

[36] See Section 5. The AI Regulatory Capability Framework for the full capability statements.

- Intra-organisational collaboration
- Inter-organisational collaboration

# 4. How to use the Framework and Self-Assessment Tool

## 4.1 Structure of the Framework and Self-Assessment Tool

The AI Regulatory Capability Framework is the reference point for conducting a self-assessment.[37] The Framework can be applied to three optional levels of assessment, increasing in detail, designed to suit different needs:

- **Summary Assessment**
- **Regulatory Stage Assessment**
- **Regulatory Activity Assessment**

When performing a self-assessment, users can consult:

- **The AI regulatory activities glossary** which provides a single point of reference for all 28 regulatory activities described in the Framework and Self-Assessment Tool. The regulatory activity descriptions offer a shared basis upon which regulatory organisations can estimate their delivery capability.

- **AI regulatory capabilities glossary** which provides **detailed explanations and examples** of capabilities referred to in the Framework's capability statements.

[37] See Section 5. The AI Regulatory Capability Framework for the full capability statements.

## 4.2 How to Use the AI Regulatory Capability Framework

**Each level of assessment is centred around the AI Regulatory Capability Framework**, which covers the whole regulatory lifecycle. Users should refer to the AI Regulatory Capability Framework and apply it to the chosen Self-Assessment template.

Below is an excerpt from the AI Regulatory Capability Framework which highlights its three core elements:

(1) **AI regulatory stages and activities** set out in the blue left-hand column.

(2) **AI regulatory capability factors** highlighted in the orange and yellow boxes.

(3) **AI regulatory capability statements** listed below each capability factor.

The capability statements in the AI Regulatory Capability Framework provide a high-level reference point, designed to be applicable to all regulatory stages and activities. The capability statements illustrate good practice for AI regulatory delivery and provide a benchmark for users to complete a self-assessment.

| **Regulatory stage/activity** | **Capability Statement:** What does good look like? | |
|---|---|---|
| **Agenda and objective setting**<br>a. Mapping the landscape<br>b. Assessing risks<br>c. Assessing market needs and opportunities<br>d. Defining regulatory purpose and objectives<br>e. Developing regulatory strategy and agenda | **Legal, regulatory, and administrative** | |
| | i | **Regulatory objectives, duties, and powers:** Regulatory organisation's statutory objectives, duties and powers enable development and implementation of appropriate and effective AI regulatory policy relevant to its remit, across the regulatory lifecycle. |
| | ii | **Policy objectives and expectations:** Regulatory organisation has sufficient clarity on policy objectives, stakeholder expectations, and risk tolerance, including adequate guidance from Government, enabling the effective development and implementation of AI regulatory policy. |
| | iii | **Regulatory autonomy and legitimacy:** Regulatory organisation operates without undue influence impacting its effectiveness, and stakeholders perceive the regulatory organisation's activities to develop and implement AI regulatory policy as legitimate. |
| | iv | **Managing regulatory impacts:** Regulatory organisation's interactions with other actors in the regulatory system are clear, enabling effective cooperation with regulatory peers and Government to identify and mitigate unintended impacts of regulatory activity on adjacent regulatory and market activity. |
| | v | **Information flows:** Barriers to inter-regulatory information and data sharing are removed and regulatory organisations empowered to develop system-level awareness, support regulatory alignment and reduce inefficiencies. |
| **Formulating rules, norms, and guidance**<br>a. Interpreting and applying principles<br>b. Setting out long list of regulatory options<br>c. Appraising impact and proportionality of regulatory options<br>d. Reviewing and prioritising assurance mechanisms<br>e. Establishing rules, norms, and guidance | **Financial resource** | |
| | vi | **Financial resource:** Regulatory organisation has sufficient capital and resource funding to enable effective development and implementation of AI regulatory policy. |

## 4.3 How to use the Self-Assessment Tool

### 4.3.1 The Self-Assessment categories

The Capability Self-Assessment Tool provides templates for users to:

1. **Score their AI regulatory capability (**overall and for each capability factor)
2. **Evaluate and communicate their capability gaps and proposed actions**

Each template should be completed starting on the left-hand side, with the capability scoring and moving to the right, supplementing the scores with qualitative information and evidence about capability gaps and proposed actions to address these gaps. The same self-assessment categories and scoring criteria apply across each level of the assessment.

The graphic below shows the assessment categories used in the Self-Assessment Tool across the different templates and describes how they should be used. The Regulatory Stage Assessment is annotated below as an example.

| 1. Agenda and objective setting | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Regulatory activities** | **Delivery capability score** | **Capability factor Score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| a. Mapping the landscape<br>b. Assessing risks<br>c. Assessing market needs and opportunities<br>d. Defining regulatory purpose and objectives<br>e. Setting regulatory strategy and agenda | | Legal, regulatory, and administrative<br>Financial resource<br>Infrastructure, tools, and technology<br>Research, development, and intelligence<br>Experience, skills, and expertise<br>Leadership, culture, and communication | | | | | |

**Self-Assessment Tool categories**

- **Regulatory activities**: identify the deliverable(s) being assessed.

- **Delivery capability**: score the overall estimated capability for the deliverable(s) under assessment.

- **Capability factor score:** score the regulatory organisation's readiness across each of the capability factors which contribute to the overall delivery capability.

- **Capabilities of interest and examples**: reference specific capability statements or capabilities from the glossary which are of specific interest for capability building, and provide examples from experience.

- **Previous capability interventions and outcomes**: highlight previous actions by the organisation or by government to build capability in this area, and the outcomes of the interventions.

- **Proposed actions to build capability:** indicate proposed actions by the regulatory organisation to build capability for the deliverable(s) under assessment.

- **External support needs and expected outcomes:** highlight government support required to build capability for the deliverable(s) under assessment or to enable the organisation's proposed actions to build capability.

- **Risks and proposed mitigations**: identify risks or challenges that could impact the effectiveness of capability interventions and highlight mitigations for these risks.

### 4.3.2 The three Self-Assessment levels explained

Each optional level of the Self-Assessment has a specific purpose, explained below.

**The Summary Assessment**

A **concise evaluation and communication tool** to provide a high-level picture of capability across the lifecycle.

This tool can be used:

- Standalone, to get a quick, high-level overview of capability needs.
- In combination, to distil key insights from stage-specific or activity-specific assessments into a one-page summary.

We anticipate that this tool might be useful for:

- **Communicating key insights** to executive teams, boards, or government sponsors, to help structure capability discussions or support funding bids

| Summary Assessment | | | | | | |
|---|---|---|---|---|---|---|
| **Delivery capability score** | **Capability factor Score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| | Legal, regulatory, and administrative | | | | | |
| | Financial resource | | | | | |
| | Infrastructure, tools, and technology | | | | | |
| | Research, development, and intelligence | | | | | |
| | Experience, skills, and expertise | | | | | |
| | Leadership, culture, and communication | | | | | |

**The Regulatory Stage Assessment**

Enables a more detailed assessment of capability at each stage of the regulatory lifecycle.

We anticipate this template would be useful for:

- **AI regulatory policy teams** aiming to build a comprehensive picture of capability across the full regulatory lifecycle.
- **Specialised regulatory functions** or teams aiming for a high-level overview of capability in their area e.g., monitoring or enforcement.

| 2. Agenda and objective setting | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Regulatory activities** | **Delivery capability score** | **Capability factor Score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| a. Mapping the landscape<br>b. Assessing risks<br>c. Assessing market needs and opportunities<br>d. Defining regulatory purpose and objectives<br>e. Setting regulatory strategy and agenda | | Legal, regulatory, and administrative<br>Financial resource<br>Infrastructure, tools, and technology<br>Research, development, and intelligence<br>Experience, skills, and expertise<br>Leadership, culture, and communication | | | | | |

## The Regulatory Activity Assessment

**Isolates individual regulatory activities** to allow for a more detailed assessment, where useful.

We anticipate that these templates would be useful for:

- **AI regulatory policy teams** to generate detailed insights about capabilities and pain points for specific regulatory activities.
- **Specialised regulatory functions** or teams aiming for a detailed understanding of capability in their area e.g., monitoring or enforcement

| 1a. Mapping the landscape | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Regulatory activities** | **Delivery capability score** | **Capability Factor Score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation understands its operating context in relation to AI, including the legal landscape, domestic and international policy, market activities, public attitudes, and existing regulatory practice.<br><br>Regulatory organisation understands the AI lifecycle and supply chain, and their significance for regulating AI.<br>Regulatory organisation identifies relevant use cases and duty holders across the AI lifecycle and supply chain which impact its regulatory remit and broader operating context. | | Legal, regulatory, and administrative<br>Financial resource<br>Infrastructure, tools, and technology<br>Research, development, and intelligence<br>Experience, skills, and expertise<br>Leadership, culture, and communication | | | | | |

### 4.3.3 The Self-Assessment scores and assessment criteria

The self-assessment scores allow users to evaluate overall AI regulatory **delivery capability** as well as the relative contribution of each **capability factor** to delivering AI regulatory activities. Both scores use shared criteria, provided below.

The overall **delivery capability** score assesses the perceived ability of an organisation or team to perform regulatory activities **at the point of assessment**. This score should provide an estimate of the organisation's overall capability for a regulatory deliverable. **Scores are estimated based upon comparison with the good-practice benchmarks for regulatory delivery, provided by the capability statements**. This process is described in the Self-Assessment instructions that follow.

Once users have estimated overall delivery capability, they can use the **capability factor** score **to estimate the influence of each individual capability factor**. The same process can be used to assign capability scores for each capability factor individually, estimating its relative influence on the organisation or team's delivery of the regulatory stage(s), activity or activities in question.

Building on the Self-Assessment scores, users can then populate the remaining columns in the assessment template with **qualitative evidence and information**. These columns enable users to highlight capability factors of interest and capability gaps, and to describe previous and planned interventions, risks, and mitigations to **develop a strategy for building capability, and a business case for funding or other resources to address capability gaps.**

Step-by step instructions on the self-assessment can be found in the next section.

| **Capability score** | | |
|---|---|---|
| **Score** | **Title** | **Criteria** |
| **n/a** | **n/a - not applicable** | A given activity or regulatory function is not relevant for the organisation |
| **1** | **Very low readiness** | Capability prevents the organisation from delivering activity/activities |
| **2** | **Low readiness** | Capability severely constrains organisation's ability to deliver activity/activities |
| **3** | **Moderate readiness** | Capability allows adequate delivery of activity/activities |
| **4** | **High readiness** | Capability allows good delivery of activity/activities |
| **5** | **Very high readiness** | Capability allows best in class delivery of activity/activities |

## 4.4 Performing a Self-Assessment

The text box below summarises the steps involved in performing a self-assessment, using the AI Regulatory Capability Framework and Self-Assessment Tool.

**Step 1:**

**Select which level of assessment** i.e. which Self-Assessment template is appropriate for the intended purpose and audience.

**Step 2**

- **Identify and review relevant regulatory stage(s), activity or activities** to understand delivery requirements, referring to activity descriptions in the glossary for further detail as required.

**Step 3**

- **Review the Framework's capability statements** to understand the generalised good practice benchmarks for each capability factor, referring to the capabilities glossary for further detail as required.

**Step 4**

- **Summarise the chosen regulatory stage(s), activity or activities in the context of your organisation's remit,** thinking about, for example, specific use-cases, sectors, opportunities and risks, regulated entities, regulatory scope and operations involved in delivering this function.

**Step 5**

- **Elicit context-specific capability requirements** which would enable fully effective delivery of the chosen regulatory stage(s), activity or activities in the context of your organisation's remit, drawing from the capability statements as a generalised benchmark and guide.

**Step 6**

- **Estimate your organisation or team's current level of capability for the chosen regulatory stage(s), activity or activities**, comparing against the capability requirements for fully effective delivery elicited in step 5. Using the criteria provided, begin filling out the chosen assessment template, assigning a score for your capability level, reflecting how your estimated capability enables or constrains delivery of the regulatory stage(s), activity or activities in question.

**Step 7**

- **Repeat step 6 for each capability factor individually** to estimate the relative influence of each factor on regulatory delivery, and estimate a capability factor score.

**Step 8**

- **Populate the remaining columns with qualitative evidence and information from left to right** to (1) highlight areas of interest and capability gaps, and (2) to describe previous and planned interventions, risks, and mitigations.

# *Part two: Resources*

The following contains the AI Regulatory Capability Framework and Self-Assessment Tool resources in PDF form, for reference.

**Use the editable excel workbook which accompanies this report to perform a self-assessment.**

# 5. The AI Regulatory Capability Framework

**Regulatory stage/activity**

**Agenda and objective setting**

a. Mapping the landscape
b. Assessing risks
c. Assessing market needs and opportunities
d. Defining regulatory purpose and objectives
e. Developing regulatory strategy and agenda

**Formulating rules, norms, and guidance**

a. Interpreting and applying principles
b. Setting out long list of regulatory options
c. Appraising impact and proportionality of regulatory options
d. Reviewing and prioritising assurance mechanisms
e. Establishing rules, norms, and guidance

**Capability Statement:** What does good look like?

| | |
|---|---|
| **Legal, regulatory, and administrative** | |
| i | **Regulatory objectives, duties, and powers:** Regulatory organisation's statutory objectives, duties and powers enable development and implementation of appropriate and effective AI regulatory policy relevant to its remit, across the regulatory lifecycle. |
| ii | **Policy objectives and expectations:** Regulatory organisation has sufficient clarity on policy objectives, stakeholder expectations, and risk tolerance, including adequate guidance from Government, enabling the effective development and implementation of AI regulatory policy. |
| iii | **Regulatory autonomy and legitimacy:** Regulatory organisation operates without undue influence impacting its effectiveness, and stakeholders perceive the regulatory organisation's activities to develop and implement AI regulatory policy as legitimate. |
| iv | **Managing regulatory impacts:** Regulatory organisation's interactions with other actors in the regulatory system are clear, enabling effective cooperation with regulatory peers and Government to identify and mitigate unintended impacts of regulatory activity on adjacent regulatory and market activity. |
| v | **Information flows:** Barriers to inter-regulatory information and data sharing are removed and regulatory organisations empowered to develop system-level awareness, support regulatory alignment and reduce inefficiencies. |
| **Financial resource** | |
| vi | **Financial resource:** Regulatory organisation has sufficient capital and resource funding to enable effective development and implementation of AI regulatory policy. |

**Regulatory engagement and uptake**

a. Establishing engagement mechanisms for regulated entities
b. Communicating regulatory developments
c. Promoting and supporting compliance
d. Establishing anticipatory regulatory initiatives

**Information gathering and compliance monitoring**

a. Assessing risks and potential impacts of regulatory non-compliance
b. Establishing monitoring function
c. Agreeing collaborative monitoring responsibilities
d. Monitoring compliance according to risk prioritisation
e. Updating monitoring in response to findings

## Infrastructure, tools, and technology

vii **Data collection and analysis:** Regulatory organisation has data collection and analysis infrastructure to support situational awareness of AI activity within the regulatory environment and inform policy development, implementation, and enforcement.

viii **Methodological frameworks:** Regulatory organisation has methodological frameworks (e.g. AI risk analysis, impact and opportunities assessments) to support evidence-based, proportionate, and effective regulatory policy development and implementation.

## Research, development, and intelligence

ix **Research and development:** Regulatory organisation has research and development capabilities to enable regulatory experimentation and support the development of innovative tools and processes which address emerging technical challenges and policy developments.

x **Monitoring and intelligence gathering:** Regulatory organisation has monitoring and intelligence gathering capability to maintain situational awareness of the current state of AI activity within its regulatory environment.

xi **Horizon scanning:** Regulatory organisation maintains ongoing data-driven horizon scanning capabilities to improve foresight and adaptability, supporting effective management of emerging risks and reduction of regulatory lag.

**Responding to non-compliance**

a. Designing and prioritising regulatory enforcement activities
b. Enacting enforcement mechanisms for non-compliance
c. Enacting remedial and ameliorative measures
d. Evaluating impacts of enforcement and updating

**Evaluating and updating policy**

a. Establishing framework to measure regulatory performance
b. Evaluating regulatory impacts and identifying gaps
c. Reporting on regulatory performance
d. Updating strategy and objectives
e. Implementing regulatory updates or changes

## Experience, skills, and expertise

xii **Experience, skills, and expertise within organisation:** Regulatory professionals within the organisation have the necessary experience, skills, and expertise to develop and implement AI regulatory policy and/or the organisation has the ability to upskill staff as required.

xiii **Access to external experience, skills, and expertise:** Regulatory organisation can access external experience, skills, and expertise where required (either through hiring or other resourcing routes e.g., secondments, consultancy, common capacity).

## Leadership, culture, and communication

xiv **Organisational leadership and culture:** Organisational leadership provides strategic direction and endorses and cultivates an agile and pro-innovation culture which supports change readiness and regulatory adaptation.

xv **System-level leadership and culture:** Government, including regulators' sponsor departments, supports the regulatory organisation in cultivating an agile and pro-innovation culture.

xvi **Intra-organisational collaboration:** The regulatory organisation maintains a collaborative culture and practice to ensure that relevant teams and individuals share knowledge and cooperate on interdisciplinary and cross-cutting issues.

xvii **Inter-organisational collaboration:** The regulatory organisation maintains a collaborative culture and practice with key delivery partners including government, intermediaries, industry, civil society, and academia to enable knowledge sharing and co-operation on inter-regulatory and cross-cutting issues.

# 6. Regulatory activities glossary

| Regulatory activity | | Description |
|---|---|---|
| **1. Agenda and objective setting** | | |
| 1a. | **Mapping the landscape** | Regulatory organisation understands its operating context in relation to AI, including the legal landscape, domestic and international policy, market activities, public attitudes, and existing regulatory practice.<br><br>Regulatory organisation understands the AI lifecycle and supply chain, and their significance for regulating AI. Regulatory organisation identifies relevant use cases and duty holders across the AI lifecycle and supply chain which impact its regulatory remit and broader operating context. |
| 1b. | **Assessing risks** | Regulatory organisation understands the potential risks raised by AI systems and effectively identifies potential risks posed by AI systems and use cases within its remit, including both where AI impacts or exacerbates existing risks, and where AI raises novel risks.<br><br>Regulatory organisation assesses the scale and scope of AI risks, mapping duty holders and assigning risk owners to underpin a proportionate, context-specific AI regulatory approach, cooperating and aligning with regulatory peers where appropriate. |
| 1c. | **Assessing market needs and opportunities** | Regulatory organisation understands the potential societal and economic benefits of AI development and deployment within its remit and broader operating context, and its role in facilitating these opportunities.<br><br>Regulatory organisation maps AI market needs and opportunities across the AI lifecycle and supply chain, assessing how these needs and opportunities interact with existing regulatory policy, and how they would interact with potential regulatory interventions. |

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| 1d. | **Defining regulatory purpose and objectives** | Based on its mapping of AI use-cases, risks and opportunities, the regulatory organisation defines the scope, overarching policy intent, purpose, objectives and proposed outcomes of its regulatory approach.<br><br>Regulatory organisation ensures the defined purposes and objectives are proportionate to risks and opportunities assessed and considers the interaction of its AI regulatory approach with adjacent regulatory and market activity, revising objectives or coordinating with regulatory peers and market actors to mitigate negative impacts. |
| 1e | **Developing regulatory strategy and agenda** | The regulatory organisation develops and communicates an AI regulatory strategy which justifies its policy intent, regulatory purposes, and objectives.<br><br>The AI regulatory strategy sets out a pathway for implementation, including identifying regulatory entities and market actors potentially impacted within its remit, highlighting delivery partners including regulatory intermediaries (e.g. for AI assurance), establishing responsibilities, and setting an agenda for delivery. |
| **2. Formulating rules, norms, and guidance** | | |
| 2a. | **Interpreting and applying principles** | Regulatory organisation identifies relevant AI ethical and regulatory principles, interprets these principles within their statutory context, and aligns them with AI policy objectives and their existing regulatory objectives.<br><br>Regulatory organisation applies these principles to AI use cases within its remit, considering examples of principle application from good practice guidance, technical standards, and academic literature.<br><br>Regulatory organisation considers practical and values-based trade-offs, and where relevant generates action guiding recommendations or requirements. |

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| 2b. | **Setting out long list of regulatory options** | Regulatory organisation identifies and understands a range of potential AI regulatory options based on the action guiding recommendations or requirements developed by applying relevant principles to AI use cases.<br><br>Regulatory organisation sets out long-list of options for mitigating AI risks, addressing market needs, and enabling innovation which can be further scrutinised and prioritised. |
| 2c. | **Appraising impact and proportionality of regulatory options** | Regulatory organisation evaluates regulatory options in line with government good practice guidance, expert and academic literature, engaging with regulated entities and consulting with experts where necessary.<br><br>Regulatory organisation prioritises regulatory interventions, considering proportionality, system-level interactions and impacts, and futureproofing of regulatory options. |
| 2d. | **Reviewing and prioritising assurance mechanisms** | Regulatory organisation identifies assurance mechanisms to support and verify compliance with AI regulatory interventions, considering a variety of mechanisms (including impact assessment, audit, and certification), and evaluates the need for first, second, and third-party assurance across use cases and risk contexts.<br><br>Regulatory organisation reviews the AI standards landscape and considers where international technical standards could be used to support AI assurance.<br><br>Regulatory organisation considers licensing and labelling requirements for AI products and services, where appropriate. |
| 2e. | **Establishing rules, norms, and guidance** | Regulatory organisation makes considered intervention choices, developing normative regulatory interventions supported by assurance and verification methods where appropriate. |

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| | | Regulatory organisation ensures interventions are aligned with UK AI policy goals and its existing regulatory practices, engages with regulatory peers to ensure system level alignment, and considers international market and regulatory factors.<br><br>Regulatory organisation facilitates input from regulated entities, experts and societal representatives when developing rules, norms, and guidance. |
| **3. Regulatory communication and driving uptake** | | |
| 3a. | **Establishing engagement mechanisms for regulated entities** | Regulatory organisation identifies regulated entities potentially impacted by chosen interventions, recognising that AI regulatory policy may have novel impacts on traditional duty holders, and may bring new duty holders into the regulatory remit.<br><br>Regulatory organisation establishes accessible and efficient mechanisms for engagement with regulated entities. |
| 3b. | **Communicating regulatory developments** | Regulatory organisation understands the importance of clearly communicating AI regulatory updates, given the novel challenges raised by AI and the potential complexities of AI regulatory implementation for regulated entities (for example, uncertainty over which regulator(s) might be responsible for different risks or use cases)<br><br>The regulatory organisation tests and communicates regulatory updates with regulated entities, to improve understanding and drive uptake. |
| 3c. | **Promoting and supporting compliance** | Regulatory organisation publishes promotional and supporting materials where required, to clarify regulatory interventions, ensuring that novel AI policy challenges are clearly understood, and that regulated entities understand their responsibilities within the regulatory remit and across intersecting aspects of the regulatory system. |

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| | | The regulatory organisation also engages directly with regulated entities where proportionate to improve understanding, receive targeted feedback on priority issues, and support compliance. |
| 3d. | **Establishing anticipatory regulatory measures** | Regulatory organisation recognises the importance of a proactive, anticipatory approach to regulating AI given its rapid development and novel risk profile, to ensure forward looking and adaptable interventions.<br><br>Where appropriate the regulatory organisation utilises anticipatory measures (including AI sandboxes) to test regulatory interventions, maximise benefits of cutting-edge products and services, and address risks before they fully materialise, in controlled conditions. |
| **4. Information gathering and monitoring compliance** | | |
| 4a. | **Assessing risks and potential impacts of regulatory non-compliance** | Regulatory organisation consults AI risk assessment documentation and assesses the risks and potential impacts of non-compliance with AI regulatory interventions.<br><br>Regulatory organisation prioritises information gathering and monitoring based on this understanding, and in the context of its available regulatory powers, and existing duties, and objectives. AI monitoring practices are aligned where possible with existing monitoring operations. |
| 4b. | **Establishing monitoring function** | Regulatory organisation establishes information gathering and monitoring functions proportionate to its assessment of risks and potential impacts of non-compliance.<br><br>Regulatory organisation leverages appropriate first, second, or third-party AI assurance mechanisms to support information gathering and monitoring. |
| 4c. | **Agreeing collaborative monitoring responsibilities** | Regulatory organisation establishes partnerships to enable collaborative AI monitoring, defining key responsibilities and agreeing terms, including for data sharing. |

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| | | Regulatory organisation collaborates with regulatory peers to ensure efficiency and to mitigate regulatory overlaps or gaps across remits.<br><br>Where beneficial, regulatory organisation collaborates with trusted regulatory intermediaries in the market to provide capacity and specialised expertise in the delivery of AI assurance. |
| 4d. | **Monitoring compliance according to risk prioritisation** | Regulatory organisation performs AI regulatory compliance monitoring in accordance with risk-based prioritisation, through established channels, either directly, in collaboration with partners, or via regulatory intermediaries, escalating to enforcement where necessary.<br><br>Regulatory organisation logs and maintains repository of compliance and risk data to inform the approach. |
| 4e. | **Updating monitoring in response to findings** | Regulatory organisation adapts or updates monitoring function in collaboration with delivery partners to (1) accommodate emerging AI use cases, novel technical and operational challenges, and risks, (2) based on periodic or ongoing assessments of performance, compliance rates, compliance burdens, risks and impacts of non-compliance, and (3) to incorporate policy updates or emerging best practice. |
| **5. Responding to non-compliance** | | |
| 5a. | **Designing and prioritising regulatory enforcement mechanism** | Regulatory organisation consults use case mapping, AI risk assessment, monitoring and compliance documentation, to inform understanding of regulatory enforcement options for AI development and deployment.<br><br>Regulatory organisation designs and prioritises enforcement mechanisms and activities in collaboration with regulatory partners and intermediaries, and in consultation with regulated entities and other stakeholders where necessary |

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| 5b. | **Enacting enforcement mechanisms for non-compliance** | Regulatory organisation identifies and empowers enforcement actors, defining key responsibilities and agreeing terms including for data sharing.<br><br>Regulatory organisation enacts proportionate enforcement mechanisms for non-compliance, in accordance with risk assessments, and in collaboration with partners and regulatory intermediaries. |
| 5c. | **Enacting remedial and ameliorative measures** | Regulatory organisation designs and enacts remedial and ameliorative mechanisms for AI regulatory non-compliance, engaging with affected and potentially affected parties to understand needs with regard to AI impacts and harms.<br><br>Regulatory organisation designs remedies for affected parties proportionate to impacts, and establishes routes to contestability and redress for affected parties. |
| 5d. | **Evaluating impacts of enforcement and updating** | Regulatory organisation periodically or continuously reviews operation of the enforcement function, adapting enforcement mechanism in response to changing AI use cases, risks profiles, impacts, policy and best practice updates.<br><br>Regulatory organisation reviews the impacts of regulatory enforcement on market behaviour, risk occurrence and compliance rates, evaluating proportionality and iterating enforcement mechanisms accordingly. |
| **6. Evaluating and updating policy** | | |
| 6a. | **Establishing framework to measure regulatory performance** | Regulatory organisation establishes clear performance goals for AI regulatory activities across the regulatory lifecycle.<br><br>Regulatory organisation identifies and establishes key performance indicators and metrics, develops a performance measurement framework and collects AI regulatory performance information. |

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| 6b. | **Evaluating regulatory impacts and identifying gaps** | Regulatory organisation links AI regulatory performance information and indicators to performance goals and evaluates performance across the regulatory lifecycle in line with AI policy objectives and existing regulatory objectives, identifying regulatory impacts and gaps. |
| 6c. | **Reporting on regulatory performance** | Regulatory organisation establishes reporting strategy, and identifies key stakeholders and communication channels.<br><br>Regulatory organisation reports on outcomes and performance in business plans, strategic updates, and annual reports to inform external stakeholders, highlighting next steps and future objectives for the AI regulatory approach. |
| 6d. | **Updating strategy and objectives** | Regulatory organisation uses performance and reporting information to inform and update its AI strategy and objectives, to drive performance improvement across the regulatory lifecycle. |
| 6e. | **Implementing regulatory updates or changes** | Regulatory organisation implements updates or changes to regulatory policy across the regulatory lifecycle, as set out in updates to strategy and objectives.<br><br>Regulatory organisation communicates changes to relevant actors affected by AI regulatory changes including regulated entities, regulatory partners, and regulatory intermediaries. |

# 7. Regulatory capabilities glossary

| Capability | Description |
|---|---|
| ***Legal, regulatory, and administrative*** | |
| **Policy direction** | Regulatory organisation has sufficient clarity on policy positions, aims, and objectives of the AI policy approach, including adequate guidance from government, to enable effective development and implementation of AI regulatory policy. |
| **Risk Tolerance** | Regulatory organisation has sufficient clarity on risk tolerance for AI development and deployment, including adequate guidance from government, to support the development of proportionate AI regulation which can be applied consistently across the regulatory system. |
| **Powers** | Regulatory organisation has the powers, established in statute, to develop and implement a defined AI regulatory approach, in accordance with UK AI policy objectives and expectations. |
| **Regulatory objectives** | Regulatory organisation's statutory, organisational, and individual objectives are aligned with defined UK AI policy objectives, and conflicts between objectives which impede AI regulatory policy development and implementation are resolved. |
| **Regulatory duties** | Regulatory organisation's duties are aligned with defined AI regulatory requirements and objectives, and conflicts with existing duties which impede AI regulatory policy development and implementation are resolved. |

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| **Regulatory autonomy** | Regulatory organisation is free from undue influence which could disrupt or limit the effectiveness of its activities to develop AI regulatory policy within its remit. |
| **Regulatory legitimacy** | Regulatory organisation enjoys and maintains legal and socio-political legitimacy amongst stakeholders when developing and implementing AI regulatory policy within its remit. |
| **Regulatory operations and practice** | Regulatory organisation understands how existing regulatory operations are impacted by AI, how existing regulatory practice applies to AI, and where and how gaps in existing practices need to be remedied. |
| **Remit and collateral impacts** | Regulatory organisation understands its interactions with other actors in the regulatory system, enabling effective cooperation with regulatory peers and Government to identify and mitigate unintended impacts of regulatory activity on adjacent regulatory and market activity. |
| **Information flows** | Legal, regulatory, and administrative barriers to inter-regulatory information and data sharing are removed and regulatory organisations empowered to develop system-level awareness, support regulatory alignment and reduce inefficiencies in regulatory service delivery. |
| ***Financial resource*** | |
| **Capital funding** | Regulatory organisation and supporting actors have sufficient funding for the acquisition, construction, or enhancement of assets required to develop and implement effective AI regulatory policy. |

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| **Resource funding** | Regulatory organisation and supporting actors have sufficient funding for day-to-day resources and administrative costs to develop and implement effective AI regulatory policy. |
| ***Infrastructure, tools, and technology*** | |
| **Data collection and sharing** | Regulatory organisation and supporting actors across the system have appropriate data collection and analysis infrastructure to support situational awareness of AI activity within the regulatory environment and inform policy development, implementation, monitoring and enforcement. |
| **Analysis and regulatory technology** | Regulatory organisation and supporting actors across the system can access and implement regulatory technologies and data analysis techniques (e.g., data driven processes for regulatory monitoring, compliance, and reporting) to inform and support the development and implementation of AI regulatory policy. |
| **Policy development frameworks** | Regulatory organisation can understand and use policy development frameworks in the context of AI (e.g., policy formulation and evaluation frameworks, regulatory impact assessment, performance assessment frameworks) to support consistent, evidence-based, proportionate and effective AI regulation. |
| **Methodological frameworks** | Regulatory organisation can understand and use relevant methodological frameworks (e.g., AI risk, impact, and opportunities assessment, stakeholder involvement, principle interpretation and application frameworks) to support consistent, evidence-based, proportionate and effective AI regulation. |
| ***Research, development, and intelligence*** | |
| **Technical research** | Regulatory organisation has access to technical research capabilities (e.g., software engineering, data science, relevant technical sector expertise, socio-technical expertise) to inform understanding of |

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| | relevant AI system development and deployment, to support technically sound development and implementation of AI regulatory policy. |
| **Policy research and development** | Regulatory organisation has policy research and development capabilities to enable and inform the development of effective AI regulatory policy options and interventions. |
| **Strategy and solution development** | Regulatory organisation has strategy and solution development capabilities to address novel and emerging challenges posed by AI technologies and policy (e.g., managing potential increase in scale of monitoring responsibilities due to widespread AI deployment, and scope of opportunities and risks) to drive continuous improvement and a quality service. |
| **Tool, practice, and system development** | Regulatory organisation has access to capabilities to develop innovative regulatory tools, practices, and systems to support regulatory innovation, and respond to emerging challenges and evolving demands of AI regulation, to improve regulatory efficiency and delivery. |
| **Monitoring and information gathering** | Regulatory organisation has monitoring and intelligence gathering capabilities to maintain situational awareness of the current state of AI activity within its regulatory environment, to enable an agile, responsive and proportionate regulatory approach. |
| **Horizon scanning** | Regulatory organisation maintains ongoing data-driven horizon scanning capabilities to improve foresight and adaptability, supporting effective management of emerging risks and reduction of regulatory lag. |
| ***Experience, skills, and expertise*** | |

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| **AI technical** | Regulatory organisation has access to AI technical experience, expertise and skills (e.g., software engineering, data science, relevant technical sector expertise, socio-technical expertise) required to inform a technically sound regulatory approach. |
| **AI ethics and governance** | Regulatory organisation has access to AI ethics and governance experience, expertise, and skills required to operationalise ethical and responsible AI principles, and understand and implement appropriate AI assurance mechanisms to develop an effective AI regulatory approach. |
| **Regulatory practice** | Regulatory organisation has access to experienced regulatory professionals required to align AI regulatory needs and objectives with existing regulatory operations and practices, including regulatory policy development, monitoring, enforcement, reporting and evaluation. |
| **Domain specific** | Regulatory organisation has access to domain specific experience, expertise, and skills required to ensure regulatory approach is sensitive to sector and context-specific stakeholders, risks, opportunities. |
| **Training and upskilling** | Regulatory organisation has access to training and upskilling programmes required to build skills and experience to effectively develop and implement AI regulatory policy. |
| ***Leadership, culture, and communication*** | |
| **Organisational leadership and culture** | Organisational leadership provides strategic direction and endorses and cultivates an agile and pro-innovation culture which supports change readiness and regulatory adaptation. |
| **System-level leadership and culture** | Government, including regulators' sponsor departments, supports the regulatory organisation in cultivating an agile and pro-innovation culture. |

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| **Intra-organisational cooperation** | The regulatory organisation maintains a collaborative culture and practice to ensure that relevant teams and individuals share knowledge and cooperate on interdisciplinary and cross-cutting issues. |
| **Inter-organisational cooperation** | The regulatory organisation maintains a collaborative culture and practice with key delivery partners including government, intermediaries, industry, civil society, and academia to enable knowledge sharing and co-operation on inter-regulatory and cross-cutting issues. |

# 8. The AI Regulatory Capability Self-Assessment Tool

## 8.1 AI Regulatory Capability Self-Assessment instructions

**Step 1:**

- **Select which level of assessment** i.e. which Self-Assessment template is appropriate for the intended purpose and audience.

**Step 2**

- **Identify and review relevant regulatory stage(s), activity or activities** to understand delivery requirements, referring to activity descriptions in the glossary for further detail as required.

**Step 3**

- **Review the Framework's capability statements** to understand the generalised good practice benchmarks for each capability factor, referring to the capabilities glossary for further detail as required.

**Step 4**

- **Summarise the chosen regulatory stage(s), activity or activities in the context of your organisation's remit,** thinking about, for example, specific use-cases, sectors, opportunities and risks, regulated entities, regulatory scope and operations involved in delivering this function.

**Step 5**

- **it context-specific capability requirements** which would enable fully effective delivery of the chosen regulatory stage(s), activity or activities in the context of your organisation's remit, drawing from the capability statements as a generalised benchmark and guide.

**Step 6**

- **Estimate your organisation or team's current level of capability for the chosen regulatory stage(s), activity or activities**, comparing against the capability requirements for fully effective delivery elicited in step 5. Using the criteria provided, begin filling out the chosen assessment template, assigning a score for your capability level, reflecting how your estimated capability enables or constrains delivery of the regulatory stage(s), activity or activities in question.

**Step 7**

- **Repeat step 6 for each capability factor individually** to estimate the relative influence of each factor on regulatory delivery, and estimate a capability factor score.

**Step 8**

- **Populate the remaining columns with qualitative evidence and information from left to right** to (1) highlight areas of interest and capability gaps, and (2) to describe previous and planned interventions, risks, and mitigations.

## 8.2 Capability scoring criteria

| Capability score | | |
|---|---|---|
| **Score** | **Title** | **Criteria** |
| **n/a** | **n/a - not applicable** | A given activity or regulatory function is not relevant for the organisation |
| **1** | **Very low readiness** | Capability prevents the organisation from delivering activity/activities |
| **2** | **Low readiness** | Capability severely constrains organisation’s ability to deliver activity/activities |
| **3** | **Moderate readiness** | Capability allows adequate delivery of activity/activities |
| **4** | **High readiness** | Capability allows good delivery of activity/activities |
| **5** | **Very high readiness** | Capability allows best in class delivery of activity/activities |

## 8.3 Summary Assessment

**A concise evaluation and communication tool.**

| Summary Assessment | | | | | | |
|---|---|---|---|---|---|---|
| **Delivery capability score** | **Capability factor Score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| | Legal, regulatory, and administrative | | | | | |
| | Financial resource | | | | | |
| | Infrastructure, tools, and technology | | | | | |
| | Research, development, and intelligence | | | | | |
| | Experience, skills, and expertise | | | | | |
| | Leadership, culture, and communication | | | | | |

## 8.4 Regulatory Stage Assessment

**To assess capability at each stage of the regulatory lifecycle**

| 1. Agenda and objective setting | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Regulatory activities** | **Delivery capability score** | **Capability factor Score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| a. Mapping the landscape<br>b. Assessing risks<br>c. Assessing market needs and opportunities<br>d. Defining regulatory purpose and objectives<br>e. Setting regulatory strategy and agenda | | Legal, regulatory, and administrative<br>Financial resource<br>Infrastructure, tools, and technology<br>Research, development, and intelligence<br>Experience, skills, and expertise<br>Leadership, culture, and communication | | | | | |

| 2. Formulating rules, norms, and guidance | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Regulatory activities** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| a. Interpreting and applying principles<br><br>b. Setting out long list of regulatory options<br><br>c. Evaluating regulatory options and prioritising interventions<br><br>d. Reviewing and prioritising AI Assurance mechanisms<br><br>e. Establishing rules, norms, and guidance | | Legal, regulatory, and administrative<br><br>Financial resource<br><br>Infrastructure, tools, and technology<br><br>Research, development, and intelligence<br><br>Experience, skills, and expertise<br><br>Leadership, culture, and communication | | | | | |

| 2. Regulatory engagement and uptake | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Regulatory activities** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| a. Identifying regulated entities and establishing engagement mechanisms<br><br>b. Communicating regulatory developments<br><br>c. Promoting and supporting compliance<br><br>d. Establishing anticipatory regulatory initiatives | | Legal, regulatory, and administrative<br>Financial resource<br>Infrastructure, tools, and technology<br>Research, development, and intelligence<br>Experience, skills, and expertise<br>Leadership, culture, and communication | | | | | |

| 3. Information gathering and compliance monitoring | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Regulatory activities** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| a. Assessing risks and potential impacts of non-compliance with AI regulation<br><br>b. Establishing or updating monitoring function<br><br>c. Establishing collaborative responsibilities<br><br>d. Monitoring compliance according to risk<br><br>e. Updating monitoring in response to findings | | Legal, regulatory, and administrative<br>Financial resource<br>Infrastructure, tools, and technology<br>Research, development, and intelligence<br>Experience, skills, and expertise<br>Leadership, culture, and communication | | | | | |

| 4. Responding to non-compliance | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Regulatory activities** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| a. Designing and prioritising regulatory enforcement activities<br><br>b. Enacting enforcement for non-compliance<br><br>c. Enacting remedial and ameliorative measures for non-compliance<br><br>d. Evaluating impacts and outcomes of non-compliance and update | | Legal, regulatory, and administrative<br><br>Financial resource<br><br>Infrastructure, tools, and technology<br><br>Research, development, and intelligence<br><br>Experience, skills, and expertise<br><br>Leadership, culture, and communication | | | | | |

| 5. Evaluating and updating policy | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Regulatory activities** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| a. Measuring performance<br><br>b. Evaluating impacts and outcomes and identify gaps<br><br>c. Reporting on performance<br><br>d. Updating strategy and objectives<br><br>e. Implementing regulatory updates | | Legal, regulatory, and administrative<br><br>Financial resource<br><br>Infrastructure, tools, and technology<br><br>Research, development, and intelligence<br><br>Experience, skills, and expertise<br><br>Leadership, culture, and communication | | | | | |

## 8.5 Regulatory Activity Assessments

**Isolate a single regulatory activity for a detailed capability assessment.**

### 8.5.1 Agenda and objective setting

| 1a. Mapping the landscape | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation understands its operating context in relation to AI, including the legal landscape, domestic and international policy, market activities, public attitudes, and existing regulatory practice.<br><br>Regulatory organisation understands the AI lifecycle and supply chain, and their significance for regulating AI. Regulatory organisation identifies relevant use cases and duty holders across the AI lifecycle and supply chain which impact its regulatory remit and broader operating context. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 1b. Assessing risks | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation understands the potential risks raised by AI systems and effectively identifies potential risks posed by AI systems and use cases within its remit, including both where AI impacts or exacerbates existing risks, and where AI raises novel risks.<br><br>Regulatory organisation assesses the scale and scope of AI risks, mapping duty holders and assigning risk owners to underpin a proportionate, context-specific AI regulatory approach, cooperating and aligning with regulatory peers where appropriate. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 1c. Assessing market needs and opportunities | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation understands the potential societal and economic benefits of AI development and deployment within its remit and broader operating context, and its role in facilitating these opportunities.<br><br>Regulatory organisation maps AI market needs and opportunities across the AI lifecycle and supply chain, assessing how these needs and opportunities interact with existing regulatory policy, and how they would interact with potential regulatory interventions. | | Legal, regulatory, and administrative<br>Financial resource<br>Infrastructure, tools, and technology<br>Research, development, and intelligence<br>Experience, skills, and expertise<br>Leadership, culture, and communication | | | | | |

| 1d. Defining regulatory purpose and objectives |
|---|

| Activity description | Delivery capability score | Capability factor score | Capabilities of interest and examples | Previous capability interventions and outcomes | Proposed actions and expected outcomes | External support needs and expected outcomes | Risks and proposed mitigations |
|---|---|---|---|---|---|---|---|
| Based on its mapping of AI use-cases, risks and opportunities, the regulatory organisation defines the scope, overarching policy intent, purpose, objectives and proposed outcomes of its regulatory approach.<br><br>Regulatory organisation ensures the defined purposes and objectives are proportionate to risks and opportunities assessed and considers the interaction of its AI regulatory approach with adjacent regulatory and market activity, revising objectives or coordinating with regulatory peers and market actors to mitigate negative impacts. | | Legal, regulatory, and administrative<br>Financial resource<br>Infrastructure, tools, and technology<br>Research, development, and intelligence<br>Experience, skills, and expertise<br>Leadership, culture, and communication | | | | | |

## 1e. Developing regulatory strategy and agenda

| Activity description | Delivery capability score | Capability factor score | Capabilities of interest and examples | Previous capability interventions and outcomes | Proposed actions and expected outcomes | External support needs and expected outcomes | Risks and proposed mitigations |
|---|---|---|---|---|---|---|---|
| The regulatory organisation develops and communicates an AI regulatory strategy which justifies its policy intent, regulatory purposes, and objectives.<br><br>The AI regulatory strategy sets out a pathway for implementation, including identifying regulatory entities and market actors potentially impacted within its remit, highlighting delivery partners including regulatory intermediaries (e.g. for AI assurance), establishing responsibilities, and setting an agenda for delivery. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

## 8.5.2 Formulating rules, norms, and guidance

| 2a. Interpreting and applying principles | | | | | | | |
|---|---|---|---|---|---|---|---|
| **2b. Setting out long list of regulatory options** | | | | | | | |
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation identifies and understands a range of potential AI regulatory options based on the action guiding recommendations or requirements developed by applying relevant principles to AI use cases.<br><br>Regulatory organisation sets out long-list of options for mitigating AI risks, addressing market needs, and enabling innovation which can be further scrutinised and prioritised. | | Legal, regulatory, and administrative<br>Financial resource<br>Infrastructure, tools, and technology<br>Research, development, and intelligence<br>Experience, skills, and expertise<br>Leadership, culture, and communication | | | | | |

| 2c. Appraising impact and proportionality of regulatory options | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation evaluates regulatory options in line with government good practice guidance, expert and academic literature, engaging with regulated entities and consulting with experts where necessary.<br><br>Regulatory organisation prioritises regulatory interventions, considering proportionality, system-level interactions and impacts, and futureproofing of regulatory options. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 2d. Reviewing and prioritising assurance mechanisms | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation identifies assurance mechanisms to support and verify compliance with regulatory interventions, considering a variety of mechanisms (including impact assessment, audit, and certification), and evaluates the need for first, second, and third-party assurance across use cases and risk contexts.<br><br>Regulatory organisation reviews the AI standards landscape and considers where international technical standards could be used to support AI assurance.<br><br>Regulatory organisation considers licensing and labelling requirements for AI products and services, where appropriate. | | Legal, regulatory, and administrative<br><br>Financial resource<br><br>Infrastructure, tools, and technology<br><br>Research, development, and intelligence<br><br>Experience, skills, and expertise<br><br>Leadership, culture, and communication | | | | | |

| 2e. Establishing rules, norms, and guidance | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation makes considered intervention choices, developing normative regulatory interventions supported by assurance and verification methods where appropriate.<br><br>Regulatory organisation ensures interventions are aligned with UK AI policy goals and its existing regulatory practices, engages with regulatory peers to ensure system level alignment, and considers international market and regulatory factors.<br><br>Regulatory organisation facilitates input from regulated entities, experts and societal representatives when developing rules, norms, and guidance. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

### 8.5.3 Regulatory engagement and uptake

| 3a. Establishing engagement mechanisms for regulated entities | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation identifies regulated entities potentially impacted by chosen interventions, recognising that AI regulatory policy may have novel impacts on traditional duty holders, and may bring new duty holders into the regulatory remit.<br><br>Regulatory organisation establishes accessible and efficient mechanisms for engagement with regulated entities. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 3b. Communicating regulatory developments | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation understands the importance of clearly communicating AI regulatory updates, given the novel challenges raised by AI and the potential complexities of AI regulatory implementation for regulated entities (for example, uncertainty over which regulator(s) might be responsible for different risks or use cases)<br><br>The regulatory organisation tests and communicates regulatory updates with regulated entities, to improve understanding and drive uptake. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 3c. promoting and supporting compliance | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation publishes promotional and supporting materials where required, to clarify regulatory interventions, ensuring that novel AI policy challenges are clearly understood, and that regulated entities understand their responsibilities within the regulatory remit and across intersecting aspects of the regulatory system.<br><br>The regulatory organisation also engages directly with regulated entities where proportionate to improve understanding, receive targeted feedback on priority issues, and support compliance. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 3d. Establishing anticipatory regulatory initiatives | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation recognises the importance of a proactive, anticipatory approach to regulating AI given its rapid development and novel risk profile, to ensure forward looking and adaptable interventions.<br><br>Where appropriate the regulatory organisation utilises anticipatory measures (including AI sandboxes) to test regulatory interventions, maximise benefits of cutting-edge products and services, and address risks before they fully materialise, in controlled conditions. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

## 8.5.4 Information gathering and compliance monitoring

| 4a. Assessing risks and potential impacts of regulatory non-compliance | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation consults AI risk assessment documentation and assesses the risks and potential impacts of non-compliance with AI regulatory interventions.<br><br>Regulatory organisation prioritises information gathering and monitoring based on this understanding, and in the context of its available regulatory powers, and existing duties, and objectives. AI monitoring practices are aligned where possible with existing monitoring operations. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 4b. Establishing monitoring function | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation establishes information gathering and monitoring functions proportionate to its assessment of risks and potential impacts of non-compliance.<br><br>Regulatory organisation leverages appropriate first, second, or third-party AI assurance mechanisms to support information gathering and monitoring. | | Legal, regulatory, and administrative<br>Financial resource<br>Infrastructure, tools, and technology<br>Research, development, and intelligence<br>Experience, skills, and expertise<br>Leadership, culture, and communication | | | | | |

| 4c. Agreeing collaborative monitoring responsibilities | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation establishes partnerships to enable collaborative AI monitoring, defining key responsibilities and agreeing terms, including for data sharing.<br><br>Regulatory organisation collaborates with regulatory peers to ensure efficiency and to mitigate regulatory overlaps or gaps across remits.<br><br>Where beneficial, regulatory organisation collaborates with trusted regulatory intermediaries in the market to provide capacity and specialised expertise in the delivery of AI assurance. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 4d. Monitoring compliance according to risk prioritisation | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation performs AI regulatory compliance monitoring in accordance with risk-based prioritisation, through established channels, either directly, in collaboration with partners, or via regulatory intermediaries, escalating to enforcement where necessary.<br><br>Regulatory organisation logs and maintains repository of compliance and risk data to inform the approach. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 4e. Updating monitoring in response to findings | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation adapts or updates monitoring function in collaboration with delivery partners to (1) accommodate emerging AI use cases, novel technical and operational challenges, and risks, (2) based on periodic or ongoing assessments of performance, compliance rates, compliance burdens, risks and impacts of non-compliance, and (3) to incorporate policy updates or emerging best practice. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

## 8.5.5 Responding to non-compliance

| 5a. Designing and prioritising regulatory enforcement activities | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation consults use case mapping, AI risk assessment, monitoring and compliance documentation, to inform understanding of regulatory enforcement options for AI development and deployment.<br><br>Regulatory organisation designs and prioritises enforcement mechanisms and activities in collaboration with regulatory partners and intermediaries, and in consultation with regulated entities and other stakeholders where necessary | | Legal, regulatory, and administrative<br>Financial resource<br>Infrastructure, tools, and technology<br>Research, development, and intelligence<br>Experience, skills, and expertise<br>Leadership, culture, and communication | | | | | |

| 5b. Enacting enforcement mechanisms for non-compliance | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation identifies and empowers enforcement actors, defining key responsibilities and agreeing terms including for data sharing.<br><br>Regulatory organisation enacts proportionate enforcement mechanisms for non-compliance, in accordance with risk assessments, and in collaboration with partners and regulatory intermediaries. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 5c. Enacting remedial and ameliorative measures | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation designs and enacts remedial and ameliorative mechanisms for AI regulatory non-compliance, engaging with affected and potentially affected parties to understand needs with regard to AI impacts and harms.<br><br>Regulatory organisation designs remedies for affected parties proportionate to impacts, and establishes routes to contestability and redress for affected parties. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 5d. Evaluating impacts of enforcement and updating | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation periodically or continuously reviews operation of the enforcement function, adapting enforcement mechanism in response to changing AI use cases, risks profiles, impacts, policy and best practice updates.<br><br>Regulatory organisation reviews the impacts of regulatory enforcement on market behaviour, risk occurrence and compliance rates, evaluating proportionality and iterating enforcement mechanisms accordingly. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

## 8.5.6 Evaluating and updating policy

| 6a. Establishing framework to measure regulatory performance | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation establishes clear performance goals for AI regulatory activities across the regulatory lifecycle.<br><br>Regulatory organisation identifies and establishes key performance indicators and metrics, develops a performance measurement framework and collects AI regulatory performance information. | | Legal, regulatory, and administrative<br>Financial resource<br>Infrastructure, tools, and technology<br>Research, development, and intelligence<br>Experience, skills, and expertise<br>Leadership, culture, and communication | | | | | |

| 6b. Evaluating regulatory impacts and identifying gaps | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation links AI regulatory performance information and indicators to performance goals and evaluates performance across the regulatory lifecycle in line with AI policy objectives and existing regulatory objectives, identifying regulatory impacts and gaps. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 6c. Reporting on regulatory performance | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation establishes reporting strategy, and identifies key stakeholders and communication channels.<br><br>Regulatory organisation reports on outcomes and performance in business plans, strategic updates, and annual reports to inform external stakeholders, highlighting next steps and future objectives for the AI regulatory approach. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 6d. updating strategy and objectives | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation uses performance and reporting information to inform and update its AI strategy and objectives, to drive performance improvement across the regulatory lifecycle. | | Legal, regulatory, and administrative | | | | | |
| | | Financial resource | | | | | |
| | | Infrastructure, tools, and technology | | | | | |
| | | Research, development, and intelligence | | | | | |
| | | Experience, skills, and expertise | | | | | |
| | | Leadership, culture, and communication | | | | | |

| 6e. Implementing regulatory updates or changes | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Activity description** | **Delivery capability score** | **Capability factor score** | **Capabilities of interest and examples** | **Previous capability interventions and outcomes** | **Proposed actions and expected outcomes** | **External support needs and expected outcomes** | **Risks and proposed mitigations** |
| Regulatory organisation implements updates or changes to regulatory policy across the regulatory lifecycle, as set out in updates to strategy and objectives.<br><br>Regulatory organisation communicates changes to relevant actors affected by AI regulatory changes including regulated entities, regulatory partners, and regulatory intermediaries. | | Legal, regulatory, and administrative<br>Financial resource<br>Infrastructure, tools, and technology<br>Research, development, and intelligence<br>Experience, skills, and expertise<br>Leadership, culture, and communication | | | | | |