

Professional Standards Authority response to Department for Science, Innovation and Technology AI Growth Lab open call for evidence

1. About us

- 1.1. The Professional Standards Authority for Health and Social Care (PSA) is the UK's oversight body for the regulation of people working in health and social care. Our statutory remit, independence and expertise underpin our commitment to the safety of patients and service-users, and to the protection of the public.
- 1.2. There are 10 organisations that regulate health professionals in the UK and social workers in England by law. We audit their performance and review their decisions on practitioners' fitness to practise. We also accredit and set standards for organisations holding registers of health and care practitioners not regulated by law.
- 1.3. We collaborate with all of these organisations to improve standards. We share good practice, knowledge and our right-touch regulation expertise. We also conduct and promote research on regulation. We monitor policy developments in the UK and internationally, providing guidance to governments and stakeholders. Through our UK and international consultancy, we share our expertise and broaden our regulatory insights.
- 1.4. Our core values of integrity, transparency, respect, fairness, and teamwork, guide our work. We are accountable to the UK Parliament. More information about our activities and approach is available at www.professionalstandards.org.uk

2. Responses to questions

Q6. The AI growth lab would offer a supervised and time-limited space to modify or disapply certain regulatory requirements. To what extent would an AI Growth Lab make it easier to develop or adopt AI?

It would make it:

- Somewhat easier

Q7. What advantages do you see in establishing a cross-economy AI Growth Lab, particularly in comparison with single regulator sandboxes?

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- 2.1. The Professional Standards Authority (PSA) recognises the value of a collaborative, cross-sector approach to AI regulation, especially given the complex, fragmented regulatory landscape in health and social care. This approach supports coordination, shared learning, and clearer expectations, fostering innovation and public protection.
 - 2.2. Health and social care regulation is highly complex and fragmented, with different frameworks for people, places, and products. For example, there are multiple professional regulators, the Medicines and Healthcare products Regulatory Agency (MHRA), National Institute for Health and Care Excellence (NICE), system regulators such as the Care Quality Commission (CQC) and OFSTED, and others. The PSA oversees ten regulators for health professionals across the UK and social workers in England, and accredits organisations holding registers for practitioners not regulated by law.
 - 2.3. Consequently, a cross-economy AI Growth Lab could help foster coordination, align regulatory expectations, and promote collaboration both within the health and care sector, and beyond, supporting the development of a cohesive and transparent framework for the safe and responsible use of AI, while fostering growth and innovation.
 - 2.4. Such a Lab could create opportunities for sectors to learn from each other, identify emerging risks and good practice, and address systemic issues that individual regulators may miss. This strengthens understanding of risks and opportunities, and supports more preventative, risk-based regulation, as set out by the PSA in Right-touch Regulation: <https://www.professionalstandards.org.uk/improving-regulation/right-touch-regulation>

Q8. What disadvantages do you see in establishing a cross-economy AI Growth Lab, particularly in comparison with single regulator sandboxes?

- 2.5. A potential disadvantage of a cross-economy AI Growth Lab could be that it does not adequately allow for the nuances and complexities of regulation within the health care sector, which is high risk, and as consequence, highly regulated.
- 2.6. Each of the ten statutory regulators overseen by the PSA have distinct legal frameworks, despite fulfilling broadly similar functions. Then there are the accredited organisations, holding registers of health and care practitioners not regulated by law. Divergent legal frameworks, data standards, and ethical guidelines may slow decision making, increase compliance costs, and create uncertainty for innovators. Coordinating across multiple regulators would introduce complexity and make progress slower and governance more difficult. This is compounded by existing barriers to data sharing, which could limit sharing insights.
- 2.7. A cross-sector approach may risk diluting attention from sector-specific issues. In contrast, sandboxes led by individual regulators, or groups of regulators with similar objectives, can focus on developing tailored solutions directly addressing the unique needs of their registrants. This could ensure the regulatory framework remains relevant and effective within each sector while still fostering innovation.
- 2.8. While a cross-economy model may have other benefits such as allowing for easier interaction with stakeholders from other sectors, involving numerous stakeholders

across sectors can introduce risks such as delays and reduced agility. To mitigate these challenges with a cross-economy approach, it would be important to focus on sector-specific areas that leverage specialist knowledge and ensure participation of relevant stakeholders. By tailoring aspects of the model to the unique needs of different sectors, the Lab could balance broad, cross-sector collaboration with the agility required for innovation and responsible AI adoption. This could help maintain momentum while ensuring expertise from diverse fields informs decision-making.

Q9. What, if any, specific regulatory barriers (particularly provisions of law) are there that should be addressed through the AI Growth Lab? If there are, why are these barriers to innovation? Please provide evidence where possible.

- 2.9. The regulatory framework for AI in health and social care is fragmented. Responsibilities are spread across ten professional regulators, the MHRA, NICE, and systems regulators such as the CQC and OFSTED, with civil liability law providing protection where responsibilities do not align. This creates uncertainty about accountability for AI-related decisions and outcomes, deters adoption, and limits confidence, barriers to innovation.
- 2.10. The MHRA-led National Commission into the Regulation of AI in Healthcare was established to address these issues, and any AI innovation framework, including the Lab, must integrate with it. The PSA has a direct coordinating role across regulators with the Commission, including through the PSA Regulatory Data and AI Group.
- 2.11. Another barrier could be the lack of consistent, cross-regulator expectations on professional use of AI and on how ethical expectations and implications are determined and managed. While there is growing recognition that regulators must adapt training, supervision, and disciplinary processes to reflect AI use, gaps remain in how expectations are set across professions and settings.
- 2.12. Regulatory decisions affecting individuals, such as fitness to practise proceedings where legal protections apply, require careful consideration. Temporary lifting or modification of legal provisions could have serious implications for complainants and registrants, and experimental processes may be open to legal challenge if outcomes appear inconsistent with the substantive legal framework. Sandbox activity and experimentation must not compromise legal rights or public confidence.
- 2.13. Information governance also poses a barrier. Differences in data structures and restrictions on data sharing between regulators limit the ability to identify emerging risks, regulatory gaps, and good practice, constraining preventative and risk-based regulatory approaches that could otherwise support safe and responsible AI innovation.

Q10. Which sectors or AI applications should the AI Growth Lab prioritise?

- 2.14. The AI Growth Lab should prioritise sectors and applications that enable the safe and effective use of AI in health and social care, strengthen efforts to improve patient outcomes, and foster collaboration, knowledge sharing, and external learning, areas holding significant potential for the future. This will help support objectives for transforming health and care by use of AI, as set out in the 10 Year Plan for the NHS in England.

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- 2.15. AI has the capacity to transform how health and care practitioners work, train, and are regulated, making it essential to address how AI is used by professionals and regulators, and what this means for AI regulation itself. The health and care sector faces ongoing structural challenges due to its complex regulatory landscape, particularly where regulation applies to people rather than products. Prioritising this area would help ensure that AI adoption supports professional standards, public confidence, and patient safety.
- 2.16. It would be helpful to clarify the different uses of AI that the Lab could support within our sector. While the current sense is that the Lab is primarily focused on the use of AI by practitioners, it would also be useful as a sandbox for testing how regulatory capabilities can be enhanced by use of AI, for example in reducing backlogs of complaints. It would be helpful to know whether the Lab will also address these wider applications of AI within health and social care.

Q11. What could be potential impacts of participating in the AI Growth Lab on your company/organisation?

Please select all that apply:

- Other (please specify)
- 2.17. Participation in the AI Growth Lab would provide the PSA with opportunities to strengthen its regulatory role and advance responsible AI adoption across health and social care. Key benefits include:
- Convening regulators and fostering collaboration to develop more cohesive regulatory frameworks.
 - Clarifying accountability, streamlining cross-regulator efforts, and reducing uncertainty around AI standards, which currently act as barriers to adoption.
 - Enhancing shared insight into emerging risks, regulatory gaps, data challenges, and good practice.
 - Shaping consistent, cross-regulatory principles and contributing to a coordinated approach to AI regulation, setting clearer expectations for professional practice.
 - Supporting better outcomes for patients, service users, and the wider public by ensuring innovation aligns with public protection and high professional standards.

Q12. Several regulatory and advisory sandboxes have operated in the UK and around the world, for example, the FCA's Innovate Sandbox, the Bank of England / FCA Digital Securities Sandbox, the MHRA's AI Airlock, and the ICO's Data Protection Sandbox. Have you participated in such an initiative?

Please select one option:

- No

Q15. We propose that certain types of rules and obligations, such as those relating to human rights, consumer rights and redress mechanisms, and workers' protection and intellectual property rights, could never be modified or dis-applied during a pilot. What types of regulation (particularly legislative provisions) should not be eligible for temporary modification or disapplication within the Lab (e.g. to maintain public trust)?

- 2.18. There are categories of regulatory obligation that we believe should not be eligible for temporary modification or disapplication within the AI Growth Lab, particularly where patient safety, public trust, and accountability are central. Specifically, legislative provisions underpinning the overarching objectives of the PSA and the three key objectives:
- (2B) The pursuit by the Authority of its over-arching objective involves the pursuit of the following objectives–
- (a) to protect, promote and maintain the health, safety and well-being of the public;
 - (b) to promote and maintain public confidence in the professions regulated by the regulatory bodies;
 - (c) to promote and maintain proper professional standards and conduct for members of those professions;
- 2.19. Requirements that ensure clear accountability and liability for decisions involving AI must remain in place, as uncertainty in this area is already a barrier to confidence. Any relaxation could further undermine trust among patients, the public, and professionals.
- 2.20. Regulators should maintain robust oversight of how professionals use AI, including responsibility for material produced with generative AI tools. These protections are essential for safe and responsible practice and must be upheld throughout any pilot activity.
- 2.21. Functions and regulations that protect patient safety, uphold public confidence, and ensure professional accountability should not be modified or disapplied. As public protection is central to the PSA's work, it is vital that discussions on the safe and responsible implementation of AI in health and social care remain a priority. Relaxing safeguards related to accountability, professional standards, or oversight of AI use would risk undermining public trust; these protections must remain throughout any pilot. Additionally, regulators should consider how AI can be used to enhance their ability to monitor and enforce these critical protections, supporting innovation in a safe and responsible manner.

Q16. What oversight do you think is needed for the Lab?

Please select all that apply:

- Other (please specify)
- 2.22. We suggest that effective oversight of the AI Growth Lab should be guided by several key principles to ensure it operates transparently, responsibly, and in the public

interest. By adhering to these guiding principles, oversight of the Lab can promote innovation while maintaining the highest standards of accountability and safeguarding public interests.

- 2.23. First, transparency and reporting should be central to the oversight process. Clear, regular updates on the Lab's activities, outcomes, and risks should be made publicly available to ensure all stakeholders, including the public, have access to relevant information on developments.
- 2.24. Second, public protection must remain the primary focus of any oversight mechanism. The safety and well-being of the public, particularly in health and care, must be safeguarded. This includes ensuring that AI technologies do not compromise patient safety or the quality of care provided.
- 2.25. Third, oversight should be conducted with a degree of independence from both Government and the regulators involved. This helps to ensure impartial decision-making, free from conflicts of interest, and prioritizes the public good over external pressures.
- 2.26. Finally, broad representation is essential in the oversight process. This includes involving a wide range of stakeholders, such as patient groups, health and care professionals, regulatory bodies, and the public, to ensure diverse perspectives are considered and public trust is maintained.

Q18. What criteria should determine which organisations or projects are eligible to participate in the Lab?

Please select all that apply:

- Other (please specify)
- 2.27. A key criterion for determining eligibility to participate in the AI Growth Lab should be the potential to improve the safety and quality of care, particularly within health and social care. Projects that demonstrate a clear commitment to enhancing patient safety, improving outcomes, and advancing the overall quality of care should be prioritised.
- 2.28. Other important considerations include the ability to manage risks effectively, transparency in AI deployment, and the capacity to collaborate with relevant regulators. Focusing on projects that can directly improve the safety and quality of care will ensure the AI Growth Lab prioritises innovations that contribute to better patient outcomes and strengthen public trust in AI technologies.
- 2.29. It is important that Accredited Registers (ARs) are considered within the criteria for participation in the Lab. While ARs are not bound by legislation in the same way as statutory regulators, they are a vital part of the assurance framework and many of the occupations on these registers are already adopting AI in their activities. If eligibility is too closely linked to statutory regulation, there is a risk that ARs will be overlooked, despite their significant contribution to standards and public confidence in health and social care.

Q19. Which institutional model for operating the Lab is preferable?

Please select one option:

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- AI Growth Lab run by a lead-regulator

Q20. What is your reason for selecting this institutional model?

- 2.30. We consider an AI Growth Lab run by a lead regulator to be the most appropriate institutional model for health and social care. Health and social care is a high-risk, highly regulated sector with a fragmented regulatory landscape spanning the regulation of people, products, and place. An AI Growth Lab run by a lead-regulator would allow nuances and complexities to be addressed directly, drawing on regulatory expertise and statutory authority, and providing greater confidence for innovators and the public.
- 2.31. As is acknowledged in the call for evidence, sectoral labs are particularly relevant in highly regulated areas. Given the complexity and fragmentation of health regulation, we believe a lead-regulator model, working with a consortium of relevant regulators and stakeholders, would support more coherent, timely, and informed decision-making. This would also help with clarifying accountability, aligning expectations across regulators, and reducing barriers to adoption while maintaining patient safety and public trust.
- 2.32. A lead-regulator model in the context of health and social care provides a clearer route to integration with emerging frameworks, such as the MHRA-led National Commission into the Regulation of AI in Healthcare, ensuring that innovation activity is consistent with regulatory reform and does not cut across existing or future regulatory responsibilities.

Q21. What supervision, monitoring and controls should there be on companies taking part in the Lab?

- 2.33. Supervision, monitoring, and controls for organisations participating in the AI Growth Lab should be proportionate to both the sector and the nature of the participants. If the Lab's proposals include companies and the private sector, as well as regulators operating within the public sector, the range of different oversight mechanisms need to be considered. Approaches should be tailored to the participant's sector, ensuring safeguards remain appropriate, enforceable, and capable of maintaining public trust.
- 2.34. Supervision, monitoring and controls should ensure clear accountability and robust governance for any AI used within the Lab. Oversight should promote transparency, fairness and safe practice, reflecting the principles set by the Government and the need to maintain public confidence.
- 2.35. Supervision, monitoring and controls should help identify new regulatory risks or gaps, ensure appropriate supervision of how AI is deployed, and support consistent, responsible use across participating organisations.

Q26. Thank you for taking the time to complete the survey. We really appreciate your time. Is there any other feedback or evidence that you wish to share?

Please select one option:

- Yes

Q27. If you answered ‘yes’ to question 26, please set out your additional feedback or evidence.

- 2.36. We would welcome clarification on whether the PSA is considered a regulator for the purposes of the Lab. As the PSA oversees ten statutory regulators and sets standards for organisations holding registers for unregulated health and care practitioners, our remit is distinct from those we oversee. It would be helpful to know whether the Lab’s scope includes oversight bodies or is limited to statutory regulators and Accredited Registers.
- 2.37. It would be helpful to better understand the types of bodies with regulatory responsibilities intended to be in scope for the Lab. It is unclear whether DSIT considered the important role of professional regulators in our sector or the voluntary registers under the PSA’s statutory accreditation scheme. The ten statutory regulators and the registers under the PSA accreditation scheme may themselves decide to use AI within their regulatory functions.
- 2.38. The health sector has made progress in the use of AI, and innovations will continue. These developments require reassessment of the role of professional regulation in managing risks and maximising opportunities. While valuable work is taking place across health and social care regulators, these efforts remain uncoordinated. The PSA can add most value by bringing regulators together, supporting a more consistent and coherent approach, and providing a forum for collective input into the safe and responsible regulation of AI.
- 2.39. The PSA has established a Regulatory Data and AI Group, consisting of professional regulatory bodies and ARs overseen by the PSA, convening regularly to share best practice, identify risks, and discuss barriers and enablers for the use of AI by regulators. We will continue to explore how AI and data can be used to enhance patient safety and answer questions around who regulates it.