Milliman

Summary of regulatory developments

Updates for August 2026

This memo identifies and summarises any regulatory updates published during August 2026 which may be of relevance to life insurance companies.

Figure 1 summarises the relevant updates identified in August.

FIGURE 1: REGULATORY ITEMS IDENTIFIED IN AUGUST WHICH MAY BE OF RELEVANCE TO LIFE INSURANCE COMPANIES

DATE	DESCRIPTION
05-Aug	The Bank of England (BoE) publishes minutes of the Artificial Intelligence Consortium (AIC) June 2026 meeting.
06-Aug	The Prudential Regulation Authority (PRA) announces a captive insurance industry roundtable.

Milliman LLP is a limited liability partnership registered in England and Wales (number OC376134).
Registered Office Eastcheap Court, 11 Philpot Lane, London, EC3M 8AA
Offices in Principal Cities Worldwide

Updates August 2026

This section highlights articles released in August 2026 which are of interest to life insurance companies.

BoE

- **The BoE publishes minutes of the AIC June 2026 meeting.**

  The minutes summarise discussions from the AIC's fourth quarterly meeting, focusing on the opportunities and risks arising from the increasing use of artificial intelligence (AI) in UK financial services. The discussions covered model governance, operational resilience, concentration risk and emerging AI-related systemic risks. The workshops covered the following:

  - Workshop 1: explainability and transparency in generative AI, which explored governance of AI model systems, challenges arising from interconnected models and third-party providers, and the need for outcome-based validation, stronger oversight and proportionate application of model risk frameworks
  - Workshop 2: AI-accelerated contagion, which considered how AI adoption could amplify operational and systemic risks through increased automation, speed and common dependencies, and discussed approaches for identifying and testing cross-firm contagion risks
  - Workshop 3: concentration risk, which explored firms' reliance on a limited number of AI model and computing providers, the potential financial stability implications of third-party concentration, and shortages of AI-related skills and governance expertise
  - Workshop 4: evolution of AI edge cases, which proposed a framework for identifying, diagnosing and containing failures arising from novel AI systems where traditional risk management approaches may not be sufficient

  There was also a broader discussion of frontier and agentic AI, including cyber resilience, governance challenges, AI incident reporting, 'human-in-the-loop' controls, testing through wargaming exercises and regulatory sandboxes.

PRA

- **The PRA announces a captive insurance industry roundtable.**

  The PRA will hold an industry roundtable on 17 September 2026 to discuss consultation paper (CP) 11/26 – A tailored regime for captive insurance. The consultation proposes a proportionate regulatory framework for single-parent captive insurers, including tailored capital, reporting, authorisation and supervisory requirements. The roundtable is intended to gather stakeholder feedback and provide further clarification on the proposals. It will focus on:

  - The PRA's proposals for a new UK captive insurance regime, designed to provide a more proportionate regulatory framework for single-parent captive insurers
  - Proposed requirements covering capital, reporting, authorisation and supervision, tailored to the nature and risk profile of captive insurers
  - Feedback from a broad range of stakeholders, including captive owners, corporate risk managers, captive managers, brokers, insurers, advisers and professional bodies
  - Issues and questions raised by market participants in response to CP11/26, with stakeholder submissions helping to shape the roundtable discussion

  The Financial Conduct Authority (FCA) is also expected to attend the roundtable to discuss its related consultation, CP26/29 – A tailored regime for captive insurance, and answer relevant questions.

  The consultation on CP11/26 closes on 14 October 2026. General queries regarding the consultation or the roundtable may be submitted to the PRA.

Solutions for a world at risk™

Milliman leverages deep expertise, actuarial rigor, and advanced technology to develop solutions for a world at risk. We help clients in the public and private sectors navigate urgent, complex challenges—from extreme weather and market volatility to financial insecurity and rising health costs—so they can meet their business, financial, and social objectives. Our solutions encompass insurance, financial services, healthcare, life sciences, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe.

milliman.com

CONTACT

Neil Christy
neil.christy@milliman.com

Mirakh Modasia
mirakh.modasia@milliman.com

Khadija Gasimova
khadija.gasimova@milliman.com

© 2026 Milliman, Inc. All Rights Reserved. The materials in this document represent the opinion of the authors and are not representative of the views of Milliman, Inc. Milliman does not certify the information, nor does it guarantee the accuracy and completeness of such information. Use of such information is voluntary and should not be relied upon unless an independent review of its accuracy and completeness has been performed. Materials may not be reproduced without the express consent of Milliman.

Milliman LLP is a limited liability partnership registered in England and Wales (number OC376134).
Registered Office Eastcheap Court, 11 Philpot Lane, London, EC3M 8AA
Offices in Principal Cities Worldwide