

PRA 2026 insurance supervision priorities

The Bank of England's Prudential Regulation Authority has published its Insurance Supervision Priorities for 2026, setting out supervisory themes that continue to build on trends seen last year.

The PRA highlights ongoing pressures in the bulk purchase annuity market, a softening underwriting cycle in general insurance, and the need for firms to continue investing in operational resilience.

The regulator emphasises the importance of strong risk management and governance in an environment shaped by elevated geopolitical and macroeconomic uncertainty, alongside the continued implementation of Solvency UK reforms and the Matching Adjustment Investment Accelerator.

Across life and general insurance, the PRA reiterates its expectation that firms maintain discipline in pricing and underwriting, ensure robust models and controls, and prepare for evolving supervisory exercises, including stress tests and work on solvency, data quality and exposure management.

Broadstone are helping our insurance clients progress their **Solvent Exit Analysis ("SEA")**. Integrating SEA into business-as-usual activities will enhance firms' risk management system and improve governance. The PRA has communicated its expectations around Solvent Exit planning, noting that in-scope firms face a **June 2026** deadline to prepare credible SEA and ensure they have appropriate strategies and governance in place to manage an orderly exit should one ever be required.

The priorities do not include an explicit reference to **climate-related risks**. However, the PRA has updated its expectations on climate-related risk management through SS5/25, requiring in-scope insurers to complete a gap assessment and remediation plan by **June 2026**. Broadstone can support firms in meeting these expectations in a proportionate and practical way.

On the 24th of February, the conduct regulator launched their new regulatory priorities reports, starting with the insurance sector. The FCA will review how firms are ensuring good outcomes for consumers with closed book products including **Child Trust Funds**. The FCA have confirmed their commitment to a post implementation review of the FPCOBS funeral plan regulation since its introduction in 2022.

Read the full reports

[Insurance Supervision: 2026 priorities](#)

[FCA Regulatory Priorities – Insurance](#)

**For more information on how Broadstone can help you,
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