Last Week in Financial Regulation

8–14 NOVEMBER 2026

Parliamentary reform, regulatory developments and the cases shaping financial services.

Financial-services reform advanced in the Commons as new and proposed instruments addressed fund access, building insurance and corporate reporting. FCA publications focused on pension charges and operational resilience, while newly published benchmark appeal judgments and a higher preliminary compensation levy forecast brought litigation and funding risks into focus.

1. UK Parliament

Financial Services and Markets Bill [HL]

COMMONS SECOND READING | 10 NOVEMBER

The Financial Services and Markets Bill [HL] completed Commons second reading on 10 November. It was committed to a Public Bill Committee, whose proceedings are scheduled to conclude by 15 December 2026.

The Bill proposes changes to consumer credit, Financial Ombudsman Service (FOS) complaints and redress, payment systems regulation, appointed representatives, and senior managers and certification requirements. Second reading neither enacts nor commences these proposals.

Bill 4129; stage 21227

Collective Investment Schemes (Amendment etc.) (EU Exit) (Amendment) Regulations 2026

SI 2026/1183 | LAID 12 NOVEMBER

The Collective Investment Schemes (Amendment etc.) (EU Exit) (Amendment) Regulations 2026 were made on 10 November and laid before Parliament on 12 November. They come into force on 16 December 2026.

The instrument extends temporary recognition from six to seven years, through the end of 2027. In practice, this gives EEA money market funds still in the Temporary Marketing Permissions Regime another year to market in the UK. Eligible non-money-market EEA UCITS have been moving to the Overseas Funds Regime since 2024 and can continue to market to UK retail investors once recognised by the FCA. The equivalence decision that opened that route excluded money market funds.

Collective Investment Schemes regulations (SI 2026/1183)

Building insurance disclosure and permitted payments in England

BUILDING INSURANCE INSTRUMENTS | 12 NOVEMBER

From 1 November 2027, landlords in England must disclose policy terms, premiums and remuneration where tenants pay for building insurance through service charges. Separate draft regulations would limit which insurance-arranging and management costs landlords can recover through those charges. The draft needs parliamentary approval and proposes the same start date.

Building Insurance Information (England) Regulations 2026 • Draft Building Insurance (Permitted Insurance Payments) (England) Regulations 2026

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Financial Services and Markets Act 2023 (Central Counterparties Compensation Scheme) (Independent Valuers) Regulations 2026

DRAFT AFFIRMATIVE INSTRUMENT | 10 NOVEMBER

Draft regulations published on 10 November would prescribe expertise, independence, conflict-management and reporting requirements for Treasury-appointed valuers assessing potential central counterparty resolution compensation.

The no-creditor-worse-off comparison would assess actual resolution treatment against a counterfactual involving full application of the relevant central counterparty rules followed immediately by liquidation. It would use information known or reasonably knowable at the counterfactual time and exclude specified replacement costs and post-termination profits or losses.

The instrument requires approval by both Houses before making. Its proposed commencement is the day after making.

Draft Financial Services and Markets Act 2023 (Central Counterparties Compensation Scheme) (Independent Valuers) Regulations 2026

Companies and Partnerships (Strategic Report Exemptions etc.) (Amendment and Consequential Amendments) Regulations 2027

DRAFT AFFIRMATIVE INSTRUMENT | 10 NOVEMBER

Draft regulations published on 10 November would exempt qualifying medium-sized companies from preparing and filing strategic reports, including companies disqualified from the medium-sized regime only through membership of an ineligible group.

A separate exemption would allow eligible wholly-owned subsidiaries to rely on a parent's group strategic report covering them and their subsidiaries. Traded companies, banks, authorised insurers, insurance-market companies and AIM-traded companies would be excluded from this subsidiary route.

Subsidiaries claiming relief would need prominent balance-sheet statements identifying the parent and confirming the relevant group report. The draft requires approval by both Houses and making; commencement would be the fifth day after making, with application to financial years ending on or after commencement.

Draft Companies and Partnerships (Strategic Report Exemptions etc.) (Amendment and Consequential Amendments) Regulations 2027

2. HM Treasury

High-risk third-country advisory notice updated

UPDATED GUIDANCE | 11 NOVEMBER

HM Treasury updated its high-risk third-country advisory notice on 11 November following FATF's October plenary. The notice was originally published on 25 March 2021; this week's development is the substantive update.

FATF's 30 October announcement removed Bulgaria, Côte d'Ivoire, the Democratic Republic of the Congo and Monaco from increased monitoring. North Korea, Iran and Myanmar remain listed as jurisdictions subject to a Call for Action.

The Treasury notice explains the distinction introduced by legislation effective from 30 June 2026: the automatic jurisdiction-based enhanced due diligence trigger applies to Call for Action countries, while increased-monitoring status remains relevant to geographical risk assessment.

Money Laundering Advisory Notice: High Risk Third Countries

EU-UK forum addresses settlement, reporting and fund access

STATEMENT PUBLISHED 11 NOVEMBER | FORUM HELD 10 NOVEMBER

HM Treasury and the European Commission published a joint statement on 11 November following the sixth EU-UK Financial Regulatory Forum, held in Brussels on 10 November.

Both sides committed to cooperation on transaction reporting, consolidated tape and coordination towards T+1 settlement on 11 October 2027, while retaining independent implementation processes.

The UK also reported progress towards extending the Temporary Marketing Permissions Regime, stating that there would be no cliff-edge for EU money market funds, and discussed next steps for recognition under the Overseas Funds Regime.

Joint Statement: EU-UK Financial Regulatory Forum, November 2026

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Credit union membership referral reform proposed

POLICY ANNOUNCEMENT | 11 NOVEMBER

HM Treasury announced a proposed change allowing members of geographically based credit unions who move outside the relevant area to continue referring relatives or household members for membership.

Treasury estimates that more than 50,000 existing members across Great Britain would gain this referral ability. The announcement supplies neither legislative text nor an implementation date and does not establish that the change is already effective.

Affordable finance access for tens of thousands more people

3. Financial Conduct Authority (FCA)

Performance-fee exemption proposed for workplace pension charge cap

CONSULTATION CP26/40 | 12 NOVEMBER

The FCA published CP26/40, proposing an optional exemption for qualifying performance-based fees, including carried interest, from the 0.75% annual charge cap for default arrangements in qualifying contract-based workplace pension schemes.

Fees would need to be calculated solely by reference to increased investment performance. Pre-agreed terms would cover performance thresholds, calculation and payment periods, mitigation of short-term fluctuations and information sharing.

Proposed safeguards address transparency, independent governance committee scrutiny, fair allocation between savers and valuation-governance due diligence. Under the proposed valuation rule, an operator unable to establish appropriate valuation policies and procedures on reasonable grounds could not make the investment; this protection would also cover investments attracting non-exempt performance fees within the proposed regime.

The consultation also proposes exempting costs solely attributable to holding physical assets, but not asset-valuation fees. Responses close on 14 January 2027, with final rules currently expected in summer 2027.

FCA proposes greater pension investment flexibility to support long-term value for savers • FCA consultation CP26/40

Motor-finance settlement FAQs explain the consequences of accepting an offer

WELSH-LANGUAGE CONSUMER INFORMATION | 12 NOVEMBER

The FCA published Welsh-language consumer FAQs explaining voluntary motor-finance settlement offers during the scheme's partial suspension. The information concerns relevant agreements from 6 April 2007 to 1 November 2024 and explains that lenders must supply the FAQs with offers.

The sheet says FCA support for offers depends on compensation matching or exceeding the amount under the challenged scheme. Acceptance is full and final, preventing further compensation and referral to the Financial Ombudsman Service (FOS) for the same complaint and potentially affecting court proceedings. The offer itself cannot be referred to FOS; consumers who wait may obtain a later review of their complaint.

The sheet anticipates a February 2027 hearing and describes possible payment timetables dependent on the litigation. Those dates are forecasts rather than deadlines. This publication explains settlement choices and does not introduce a new rule.

Cwestiynau Cyffredin am gynigion setliad ar gwynion cyllid modur

Operational resilience reviews emphasise tested capability and board oversight

SUPERVISORY REVIEWS | 11 NOVEMBER

Two FCA publications on 11 November examined how firms demonstrate operational resilience. A review of 2025–2026 self-assessments, primarily relevant to firms within SYSC 15A, emphasises evidence of current capability during severe but plausible disruption rather than reliance on future investment or remediation.

The self-assessment findings identify weaknesses in cyber recovery, third-party and shared-service dependencies, testing, remediation validation, communications and board challenge. Firms should explain residual vulnerabilities, potential customer and market harm, and competing recovery priorities when several services or firms are disrupted.

A separate multi-firm review of UK trading venues, including multilateral trading facilities, organised trading facilities and recognised investment exchanges, found generally resilient infrastructure but inconsistent evidence of effective board oversight, independent assurance, dependency mapping, supplier management, recovery testing and incident escalation.

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These are supervisory findings rather than new requirements. The trading-venue review also reminds venues of separate operational incident-reporting rules taking effect on 18 March 2027.

Operational resilience of trading venues • Operational resilience: demonstrating resilience in practice

Permissions cancelled for Buckingham Bridgefinance and Dymchurch Car Centre

FINAL NOTICES | 9 NOVEMBER

The FCA cancelled Buckingham Bridgefinance Corp Ltd's Part 4A permission with immediate effect on 9 November. Its Final Notice records £3,784.54 in unpaid regulatory fees and levies and inadequate responses to repeated payment requests. The FCA found failures concerning the Suitability Threshold Condition and Principle 11.

A separate Final Notice cancelled Terence Peters trading as Dymchurch Car Centre's Part 4A permission from the same date. It records an overdue balance of £1,282.93, including late-return fees, repeated reminders and failure to accept or begin an offered payment plan. The FCA concluded that the firm failed the Suitability Threshold Condition.

Neither firm referred its Decision Notice to the Upper Tribunal within the prescribed period. These are administrative cancellation decisions under existing requirements.

FCA Final Notice: FRN 702861 • FCA Final Notice: FRN 669021

4. Courts & Tribunals

Christian Bittar v R [2026] EWCA Crim 1458

Court of Appeal (Criminal Division) | 13 November

The Court of Appeal published its reasons on 13 November for quashing Christian Bittar's EURIBOR conspiracy-to-defraud conviction on 9 October 2026.

Despite Bittar's 2018 guilty plea, the court held the conviction unsafe because entrenched legal misdirection meant that a potentially decisive issue concerning the falsity of rate submissions would not have been left to the jury.

The court emphasised the particular circumstances and did not determine the separate argument about whether breach of civil law could provide the necessary unlawful means.

[2026] EWCA Crim 1458

R v Pabon and others (LIBOR and EURIBOR appeals: consequential orders) [2026] EWCA Crim 1457

Court of Appeal (Criminal Division) | 13 November

In a separate consequential-orders judgment handed down and published on 13 November, the Court of Appeal declined to award interest on repayments of confiscated sums and prosecution costs following successful LIBOR and EURIBOR conviction appeals. The convictions addressed in this judgment had already been quashed on 7 October 2026.

The court held that it lacked jurisdiction to award the interest sought and was not bound to find otherwise by the Supreme Court's interest orders in Hayes and Palombo.

It nevertheless considered that fairness required the Serious Fraud Office and HM Courts & Tribunals Service to honour their previously agreed commitment to pay interest. The court made no enforceable interest award.

[2026] EWCA Crim 1457

Samuel Grosz and Meyer Gertner v Tempus Capital SB Limited [2026] EWHC 2913 (BP)

High Court (Insolvency and Companies Court) | 12 November

The High Court dismissed applications to set aside statutory demands for £1,510,111.77 against each guarantor. These were decisions about statutory demands rather than bankruptcy orders.

On the business-purpose facts, the guarantors were not consumers under the Consumer Rights Act, and the guarantee and on-demand indemnity were not Consumer Credit Act agreements. The court expressly did not determine the Financial Services and Markets Act 2000 section 26 issue.

An earlier charge held by HNW, unregistered at Companies House, was void against Tempus under section 859H of the Companies Act 2006. Payment of sale proceeds to HNW nevertheless did not establish substantial grounds for disputing the guaranteed debt.

[2026] EWHC 2913 (BP)

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Aamanya AG v Ballinger & Co Ltd [2026] EWHC 2905 (Comm)

High Court (Commercial Court) | 11 November

The Commercial Court held that Ballinger was contractually entitled to close 25 foreign-exchange forwards after rationally reassessing their regulatory classification.

However, the agreement required close-out at market value on 9 March 2022 rather than cancellation at par. Aamanya recovered USD 3,057,019.89 without deduction of close-out fees. Its other claims and Ballinger's counterclaim, including deceit, failed.

[2026] EWHC 2905 (Comm)

R v Christopher Woolcott

Southwark Crown Court | 10 November

Southwark Crown Court sentenced Christopher Woolcott on 10 November over a £154m bogus takeover bid for Touchstone Exploration Inc. He received a two-year prison sentence suspended for two years, concurrent 14-month sentences for three forgery offences, 200 hours of unpaid work and £4,627.73 in costs.

Woolcott had pleaded guilty on 10 September to fraud by false representation and three counts of making a false instrument. This week's development is the sentencing and the FCA's announcement. Touchstone was not under investigation.

Man sentenced over £154m fake takeover bid targeting UK-listed company

R (Farrell) v The Pensions Ombudsman [2026] EWHC 2812 (Admin)

High Court (Administrative Court) | 9 November

The High Court dismissed a judicial review challenging the Pensions Ombudsman's discontinuance of a firefighter's injury-award complaint.

Applying Clark [2024] EWCA Civ 676, the court held that the award under Part 2 Rule 1 of the Firefighters' Compensation Scheme (England) was not an occupational pension benefit within the relevant statutory definition. Retirement was a precondition rather than the event triggering entitlement.

Considering the compensation scheme as a whole did not establish jurisdiction. The court did not determine whether the claimant's injury qualified for an award.

[2026] EWHC 2812 (Admin)

5. Financial Ombudsman Service (FOS)

Nothing of note this week.

6. Financial Services Compensation Scheme (FSCS)

FSCS forecasts £360m levy for 2027/28

NOVEMBER OUTLOOK | 12 NOVEMBER

The FSCS maintained its 2026/27 levy forecast at £247m, with no additional levy anticipated, despite forecast compensation costs rising by £25m to £292m. Recoveries are forecast at £43m.

Its preliminary levy forecast for 2027/28 is £360m. The increase principally reflects available surplus balances expected to be more than £100m lower, rather than a significant change in compensation costs.

Compensation costs next year are expected to remain broadly similar, with substantial costs relating to self-invested personal pension advice, general investment and insurance claims. Updated forecasts are due in spring 2027.

Chief Executive's statement - November 2026 Outlook

7. The Pensions Regulator (TPR)

Nothing of note this week.

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8. Exchanges & Trading Venues

London Stock Exchange (LSE), including AIM: professional-only crypto ETN admission criteria relaxed

NOTICE N12/26 AND REVISED FACTSHEET | 10 NOVEMBER

London Stock Exchange (LSE) Notice N12/26 relaxed admission criteria for professional-only crypto exchange-traded notes (ETNs), effective from 10 November.

Under the revised factsheet, only paragraphs 3 and 4 of the admission guidance apply to professional-only crypto ETNs and hybrid crypto ETNs. The physical-backing, non-leverage, reliable-public-pricing and cold-storage or equivalent-arrangement criteria in paragraphs 1 and 2 therefore cease to apply to those admissions.

Bitcoin and Ethereum underlying restrictions remain, together with applicable custody requirements for anti-money-laundering-regulated custodians in specified jurisdictions. LSE retains discretion to refuse admission.

LSE notice N12/26 • LSE Crypto ETN Factsheet

Cboe Europe (UK venue): half-day certification test

OPERATIONAL NOTICE | 11 NOVEMBER

Cboe Europe announced a certification and user-acceptance-testing half-day on 25 November for its European equities trading and reporting services.

The test uses shortened, market-specific sessions. TRF/SIS reporting and SI quoting will operate from 07:15 to 13:40 GMT; markets outside those specified in the notice will be closed in the testing environment. The notice does not change live trading hours.

Cboe Europe Certification Half-Day Test

Cboe Europe (UK venue): BOEv3 launch and migration timetable

OPERATIONAL NOTICE | 10 NOVEMBER

Cboe Europe confirmed production launch of its BOEv3 order-entry protocol across BXE, CXE and DXE on 1 February 2027. BOE users must migrate before BOEv2 is decommissioned on 30 July 2027.

Certification is available now. Production ports may be requested from 11 January 2027 following formal certification. During the transition, members may obtain one new BOEv3 logical port per existing BOEv2 logical port free for one calendar month.

The notice also announces specification version 1.3. BOEv3 supports order entry rather than ETR or APA reporting; the SIS availability timetable remains unannounced.

Cboe Europe Announces Updates to the BOEv3 Protocol Release

AIM: Nothing of note this week.

Aquis Stock Exchange (AQSE): Nothing of note this week.

9. Financial Reporting Council (FRC)

FRC governance review examines explanations, outcomes and material controls

CORPORATE GOVERNANCE REPORTING REVIEW | 12 NOVEMBER

The FRC published its first annual review of reporting against the 2024 UK Corporate Governance Code. Among 100 sampled companies, 39 reported departing from at least one provision, compared with 25 previously. The quality of explanations remained inconsistent.

The review found that reporting often described board activity without explaining its outcomes. Some 92 companies disclosed preparations for revised Provision 29, which applies to reporting periods beginning on or after 1 January 2026 and introduces a board declaration on material controls' effectiveness at the balance-sheet date.

The review also addresses proportionate small-cap reporting, audit committee disclosures, remuneration, cyber and AI governance, and reducing duplication. These are review findings and reporting recommendations rather than newly adopted rules.

Value of UK Corporate Governance Code flexibility highlighted in latest reporting review

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FRC stewardship review highlights shorter reports and oversight evidence

STEWARDSHIP REPORTING REVIEW | 10 NOVEMBER

The FRC published its first reporting review under the UK Stewardship Code 2026, providing feedback for asset owners, asset managers and stewardship service providers preparing reports in 2027.

Approximately 70% of reports were shorter than the previous year, with an average length reduction of 20%. Around a quarter of spring submitters separated their Policy and Context Disclosure from their Activities and Outcomes Report.

The review identifies strong engagement reporting but scope for better evidence of signatories' own oversight of external managers and service providers.

FRC review shows reports are 20% shorter in first year of revised Stewardship Code

FRC and Zimbabwe audit regulator agree reciprocal recognition route

RECOGNITION ARRANGEMENT | 10 NOVEMBER

The FRC and Zimbabwe's Public Accountants and Auditors Board announced a signed Memorandum of Understanding on Reciprocal Arrangements.

The arrangement describes a route for appropriately qualified auditors from either jurisdiction to apply for recognition of their qualifications and audit rights in the other. The FRC says it assessed Zimbabwe's Registered Public Auditor qualification requirements as equivalent to UK statutory-auditor requirements.

UK and Zimbabwe audit regulators sign mutual recognition agreement to further support audit quality

10. Information Commission

ICO seeks health-sector assurances over medical-record snooping

SUPERVISORY ANNOUNCEMENT | 12 NOVEMBER

The ICO announced that it had written to more than 200 senior UK health-service leaders seeking personal assurance that safeguards prevent and detect unauthorised access to medical records.

The requests cover access controls, monitoring and audit, staff awareness, and prompt investigation and proportionate action. Leaders are asked to confirm a review within the preceding six months or complete one within the next three months.

The ICO reported assessing more than 300 health-sector unauthorised-access reports between 1 January and mid-October 2026. The announcement sets out supervisory expectations rather than a new rule or an enforcement decision against a named organisation.

UK health sector warned to tackle medical record snooping

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