

Handbook Notice No 124

November 2024

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1 Overview

Legislative changes

- 1.1 On 31 October 2024, the Board of the Financial Conduct Authority (FCA) made the relevant changes to the Handbook as set out in the instruments listed below.

CP	Title of instrument	Instrument No	Changes effective
CP24/11	Long-Term Investment Fund (Amendment) Instrument 2024	FCA 2024/37	05/11/24
CP23/32	Markets in Financial Instruments (Non-Equity Transparency Rules) Instrument 2024	FCA 2024/38	01/12/24; 01/12/25
	Markets in Financial Instruments (Non-Equity Transparency Technical Standards) Instrument 2024	FCA 2024/39	01/12/24; 31/03/25; 01/12/25
CP26/23	Critical Third Parties (Statement of Policy Relating to Disciplinary Measures) Instrument 2024	FCA 2024/40	01/01/25
	Critical Third Parties Instrument 2024	FCA 2024/41	01/01/25
CP24/4	Pensions Dashboard Service Instrument 2024	FCA 2024/42	30/11/24

- 1.2 On 28 November 2024, the Board of the FCA made the relevant changes to the Handbook as set out in the instruments listed below.

CP	Title of instrument	Instrument No	Changes effective
CP24/9	Financial Crime Guide (Amendment) Instrument 2024	FCA 2024/46	29/11/2024
CP24/18	Access to Cash Sourcebook (Consequential Amendment) Instrument 2024	FCA 2024/47	29/11/2024

Summary of changes

- 1.3 The legislative changes referred to above are listed and briefly described in Chapter 2 of this notice.

Feedback on responses to consultations

- 1.4 Consultation feedback is published in Chapter 3 of this notice or in separate policy statements.

FCA Board dates

- 1.5 The table below lists forthcoming FCA board meetings. These dates are subject to change without prior notice.

FCA board meetings		
December	19	2024
January	30	2025
February	27	2025
March	27	2025
May	1	2025
May	22	2025
June	26	2025
July	31	2025
October	2	2025
October	30	2025
November	27	2025
December	18	2025

2 Summary of changes

- 2.1 This Handbook Notice describes the changes to the FCA Handbook and other material made by the FCA Board under its legislative and other statutory powers on 31 October 2024 and 28 November 2024. Where relevant, it also refers to the development stages of that material, enabling readers to look back at developmental documents if they wish. For information on changes made by the Prudential Regulation Authority (PRA) please see www.bankofengland.co.uk/news/publications.

Long-Term Investment Fund (Amendment) Instrument 2024

- 2.2 Following consultation in [CP24/11](#), the FCA Board has made changes to the Handbook sections listed below:

Glossary of definitions
FEES 1.1, 3.2, 3 Annex 2, 4.2, 4 Annex 4 and 4A Annex 2
COBS 18.5A
DEPP 2 Annex 1
DISP 1.1, 1 Annex 2 and 2.7
COMP 5.5
COLL 6.9, 8.2 and 15.3
FUND 1.1, 1.2 and 3.12

- 2.3 The FCA Board also resolved to delete the following chapter:

FUND 4

- 2.4 In summary, this instrument makes changes to the FCA Handbook to remove all references to long-term investment funds (LTIFs), the LTIF Regulation and European Economic Area LTIFs from the Handbook, following the repeal of the LTIF Regulation.
- 2.5 This instrument came into force on 5 November 2024. Feedback is published in Chapter 3 of this notice.

Markets in Financial Instruments (Non-Equity Transparency Rules) Instrument 2024

Markets in Financial Instruments (Non-Equity Transparency Technical Standards) Instrument 2024

- 2.6 Following consultation in [CP23/32](#), the FCA Board has made changes to the Handbook sections listed below:

Glossary of definitions
MAR 5.7, 9.2B and Sch 5

- 2.7 The FCA Board deleted the following sections:
MAR 5A.10, 5A.11, 6.1, 6.2 and 6.4A
- 2.8 The FCA Board introduced the following new chapters:
MAR 9A, 11 and TP 2
- 2.9 The FCA Board resolved to make changes to the following material outside the Handbook:
PERG 13.2 and 13.3
- 2.10 The FCA Board revoked the following technical standard:
Commission Delegated Regulation (EU) 2017/2194 of 14 August 2017 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to package orders
- 2.11 The FCA Board also amended the following technical standard:
Commission Delegated Regulation (EU) 2017/577 of 13 June 2016 supplementing Regulation (EU) No 600/2014 of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards on the volume cap mechanism and the provision of information for the purposes of transparency and other calculations
- 2.12 In summary, this instrument makes changes to the FCA Handbook to establish a simpler and more timely post-trade transparency regime based on fewer deferrals for bonds and certain over-the-counter derivatives, while ensuring that liquidity providers are sufficiently protected against undue risk.
- 2.13 The Markets in Financial Instruments (Non-Equity Transparency Rules) Instrument 2024 (FCA 2024/38) comes into force on 1 December 2025 for all purposes except Part 1 of Annex A, Part 2 of Annex B and Part 4 of Annex B, which come into force on 1 December 2024.
- 2.14 Paragraph F and Part 1 of Annex A of the Markets in Financial Instruments (Non-Equity Transparency Technical Standards) Instrument 2024 (FCA 2024/39) come into force on 1 December 2024. Part 2 of Annex A of FCA 2024/39 comes into force on 31 March 2025, while Part 3 of Annex A of FCA 2024/39 comes into force on 1 December 2025.
- 2.15 Feedback is published in a separate [policy statement](#).

Critical Third Parties (Statement of Policy Relating to Disciplinary Measures) Instrument 2024

Critical Third Parties Instrument 2024

- 2.16 Following consultation in [CP26/23](#), the FCA Board has made changes to the Handbook sections listed below:

Glossary of definitions
FEES 3.2
SUP 5.1 and 8.3
DEPP 2 Annex 1, 6A.1, 6A.2 and Sch 4

- 2.17 The FCA Board also introduced the following new sourcebook:

Critical Third Parties sourcebook (CTPS)

- 2.18 In summary, this instrument makes changes to the FCA Handbook to manage the systemic risks posed by certain third parties to the UK financial sector. The new rules will allow the regulators (the FCA, PRA and the Bank of England) to monitor and manage these risks in an effective but proportionate manner.

- 2.19 These instruments come into force on 1 January 2025. Feedback is published in a separate [policy statement](#).

Pensions Dashboard Service Instrument 2024

- 2.20 Following consultation in [CP24/4](#), the FCA Board has made changes to the Handbook sections listed below:

Glossary of definitions
PRIN 3.2 and 3.4
SYSC 1 Annex 1, 3.2, 4.1, 23.2 and 23 Annex 1
FEES 3 Annex 1, 4.2, 4 Annex 1A, 4 Annex 2A and 5 Annex 1
SUP 10C Annex 1 and 16.12
DISP 1 Annex 1, 2.5, 2.7, 2 Annex 1 and 4.2

- 2.21 The FCA Board introduced the following new annexes:

SUP 16 Annex 57, 16 Annex 58

- 2.22 The FCA Board introduced the following new sourcebook:

Pensions Dashboards: Conduct of Business sourcebook (PDCOB)

- 2.23 The FCA also Board introduced the following new chapter:

PERG 12A

- 2.24 In summary, this instrument makes changes to the FCA Handbook to regulate firms that operate pensions dashboard services. Pensions dashboards will be secure digital interfaces through which consumers can find their pensions and view basic information about them. Our regulatory framework enables consumers to engage confidently with pensions dashboards by making sure

that firms undertaking this new activity do not introduce or amplify the potential for consumer harm.

- 2.25 This instrument comes into force on 30 November 2024. Feedback is published in a separate [policy statement](#).

Financial Crime Guide (Amendment) Instrument 2024

- 2.26 Following consultation in [CP24/9](#), the FCA Board has made changes to the Handbook sections listed below:

FCG 1.1, 3.2, 3.4, 4.2, 4.4, 5.2, 5.4, 6.2, 6.4, 7.1, 7.2, 7.3, 7.4 and Annex 1

- 2.27 In summary, this instrument makes changes to the FCA Handbook to update the Financial Crime Guide in relation to sanctions, proliferation financing and transaction monitoring. This instrument also adds references to cryptoassets and the Consumer Duty, and makes consequential changes throughout the guide.

- 2.28 This instrument comes into force on 29 November 2024. Feedback is published in a separate [policy statement](#).

Access to Cash Sourcebook (Consequential Amendment) Instrument 2024

- 2.29 Following consultation in [CP24/18](#), the FCA Board has made changes to the Handbook sections listed below:

Glossary of definitions

- 2.30 In summary, this instrument amends the Handbook definition of 'firm' to include designated coordination bodies and ensure a consistent enforcement approach of Part 8B of the Financial Services and Markets Act 2000.

- 2.31 This instrument comes into force on 29 November 2024. Feedback is published in Chapter 3 of this notice.

3 Consultation feedback

- 3.1 This chapter provides feedback on consultations that will not have a separate policy statement published by the FCA.

CP24/11: Long-Term Investment Fund (Amendment) Instrument 2024

Background

- 3.2 No long-term investment funds (LTIF) were ever established in the UK. As the LTIF Regulation has now been repealed, there is no longer any route to do so. As such, references to the LTIF Regulation and LTIFs in the Handbook have no legal effect.
- 3.3 References to an 'EEA LTIF' in the Handbook are also no longer relevant. These references relate to European Economic Area (EEA) alternative investment funds (AIFs) marketing in the UK under Part 9A of the Alternative Investment Fund Managers Regulations 2013 (the AIFM Regulations). As this part of the temporary marketing permissions regime has now ended, it is no longer legally possible for EEA AIFs to market in the UK under Part 9A of the AIFM Regulations 2013.

Summary of proposals

- 3.4 In [CP24/11](#), we consulted on removing all references to LTIFs, the LTIF Regulation and EEA LTIFs from the Handbook. This was a joint consultation with the Financial Ombudsman Service (the Ombudsman).
- 3.5 This amendment will not affect the legal status of a European long-term investment fund (ELTIF) AIF seeking to market into the UK through the National Private Placement Regime.
- 3.6 The Ombudsman operates a voluntary jurisdiction which mirrors, among other things, a number of provisions from elsewhere in the Handbook, such as certain glossary terms and provisions in the Dispute Resolution: Complaints sourcebook (DISP). The Ombudsman proposed to mirror the relevant proposed amendments in DISP and the relevant glossary terms into its voluntary jurisdiction.

How this links to our objectives

- 3.7 The amendments set out above advance our operational objective of promoting and enhancing the integrity of the UK financial system by aligning the FCA Handbook with the government's repeal of the LTIF Regulation. We do not expect any burdens or restrictions to arise from our amendments so we consider this to be proportionate. We are therefore also satisfied that

the amendments are compatible with the FCA's secondary international competitiveness and growth objective.

Feedback

- 3.8 We received 1 response to this consultation. The respondent agreed with the proposals in full.

Our response

- 3.9 We have noted the feedback that we received and have made the changes to the Handbook as consulted on.

Cost benefit analysis

- 3.10 Section 138I(2)(a) of the Financial Services and Markets Act 2000 (FSMA) requires us to publish a cost benefit analysis (CBA) when proposing draft rules unless, in accordance with section 138L(3) of FSMA, we believe that there will be no increase in costs or that the increase will be of minimal significance. In [CP24/11](#), we explained our view that no CBA was required for our proposals because the amendments would not lead to an increase in costs or the increase would be of minimal significance. Our position remains unchanged.

Equality and diversity statement

- 3.11 We continue to believe that the rules we have made will not have a negative impact on any of the groups with protected characteristics under the Equality Act 2010 and no concerns were raised during consultation.

Environmental, social and governance considerations

- 3.12 We have considered the environmental, social and governance implications of our proposals and our duty under sections 1B(5) and 3B(c) of FSMA to have regard to contributing towards the Secretary of State achieving compliance with the net zero emissions target under section 1 of the Climate Change Act 2008. Overall, we do not consider that the proposals are relevant to contributing to those targets.

Rule Review Framework

- 3.13 We have taken into account our duties under the Rule Review Framework and consider that these changes do not require ongoing monitoring.

Access to Cash Sourcebook (Consequential Amendment) Instrument 2024

Background

- 3.14 In December 2023, we consulted on the new access to cash regime under Part 8B (Cash access services) of the Financial Services and Markets Act 2000 (FSMA) ([CP23/29](#)). Our final rules, which introduced a new Access to Cash sourcebook (ATCS), were published on 24 July 2024 ([PS24/8](#)) and came into force on 18 September 2024.

- 3.15 We have considered whether any consequential amendments are necessary to ensure a consistent approach to enforcement of Part 8B of FSMA. In September 2024, we consulted on a consequential amendment to the Handbook definition of 'firm' for the purposes of the Enforcement Guide (EG) and the Decision Procedure and Penalties manual (DEPP) ([CP24/18](#)).
- 3.16 This amendment is to ensure that a coordination body designated by the Treasury under section 131R (Designation) of FSMA would be subject to EG and DEPP, as the disciplinary measures under Part 14 (Disciplinary Measures) of FSMA apply by way of section 131Z (Disciplinary measures) of FSMA.

Summary of proposals

- 3.17 Under section 131R of Part 8B of FSMA, the Treasury can designate firms and coordination bodies that meet certain criteria, as set out in section 131S (Designation criteria) of FSMA. Notices to that effect were published on 24 May 2024.
- 3.18 For enforcement purposes, designated firms are within the remit of EG and DEPP as they satisfy the Handbook definition of 'firm'.
- 3.19 However, absent the amendment, it would depend on the circumstances whether designated coordination bodies satisfy the Handbook definition of 'firm' and, therefore, whether they fall within the remit of EG and DEPP accordingly.
- 3.20 For clarity, we are amending the Handbook definition of 'firm' to ensure that:
- EG and DEPP apply equally to a designated firm and designated coordination body; and
 - the guidance on our approach to the exercise of powers against a designated coordination body is consistent with the guidance on our powers elsewhere.

How this links to our objectives

- 3.21 We are satisfied that the amendment is compatible with our objectives and regulatory principles. It advances our operational objectives of securing an appropriate degree of consumer protection and promoting effective competition in the interests of consumers.
- 3.22 The amendment ensures that both DEPP and EG apply to a designated coordination body, as envisaged by Part 8B of FSMA. We are satisfied that any burdens or restrictions are proportionate to the expected benefits. We are also satisfied that the amendment is compatible with the FCA's secondary international competitiveness and growth objective.

Feedback

- 3.23 We received 1 response to the consultation commenting on the consequential amendment to the Handbook definition of 'firm'. The respondent welcomed

the clarification; however, it would appreciate further engagement to better understand what this would mean in practice.

Our response

- 3.24 In light of the in-principle support for the amendment, we have proceeded with making the amendment as consulted on in [CP24/18](#).

Cost benefit analysis

- 3.25 Section 138I(2)(a) of FSMA requires us to publish a cost benefit analysis (CBA) when proposing draft rules, subject to certain exceptions. In [CP24/18](#) we explained our view that no CBA was required as no new rules were made. Our position remains unchanged.

Equality and diversity statement

- 3.26 We continue to believe that the amendment we are making will not have a negative impact on any of the groups with protected characteristics under the Equality Act 2010 and no concerns were raised during consultation.

Environmental, social and governance considerations

- 3.27 We have considered the environmental, social and governance implications of our proposals and our duty under sections 1B(5) and 3B(c) of FSMA to have regard to contributing towards the Secretary of State achieving compliance with the net zero emissions target under section 1 of the Climate Change Act 2008. Overall, we do not consider that the proposals are relevant to contributing to those targets.

Rule Review Framework

- 3.28 We are not proposing to make any new rules. Therefore, the Rule Review Framework does not apply.

4 Additional information

Making corrections

- 4.1 The FCA reserves the right to make correctional or clarificatory amendments to the instruments made at the Board meeting without further consultation should this prove necessary or desirable.

Publication of Handbook material

- 4.2 This notice is published on the FCA website and is available in hardcopy.
- 4.3 The formal legal instruments (which contain details of the changes) can be found on the FCA's website listed by date, reference number or module at www.handbook.fca.org.uk/instrument. The definitive version of the Handbook at any time is the version contained in the legal instruments.
- 4.4 The changes to the Handbook are incorporated in the consolidated Handbook text on the website as soon as practicable after the legal instruments are published.
- 4.5 The consolidated text of the Handbook can be found on the FCA's website at www.handbook.fca.org.uk/. A print version of the Handbook is available from The Stationery Office's shop at www.tsoshop.co.uk/Financial-Conduct-Authority-FCA/.
- 4.6 Copies of the FCA's consultation papers referred to in this notice are available on the FCA's website.

Obligation to publish feedback

- 4.7 This notice, and the feedback to which paragraph 1.4 refers, fulfil for the relevant text made by the Board the obligations in sections 138I(4) and (5) and similar sections of the Financial Services and Markets Act 2000 ('the Act'). These obligations are: to publish an account of representations received in response to consultation and the FCA's response to them; and to publish (where applicable) details of any significant differences between the provisions consulted on and the provisions made by the Board, with a cost benefit analysis and a statement under section 138K(4) of the Act if a proposed altered rule applies to authorised persons which include mutual societies.

Comments

- 4.8 We always welcome feedback on the way we present information in the Handbook Notice. If you have any suggestions, they should be sent to handbook.feedback@fca.org.uk (or see contact details at the end of this notice).

Annex

List of non-confidential respondents

We are required by section 138I(4A) of the Act to include a list of the names of respondents to rules consultations where the respondent has consented to the publication of their name. This annex lists the names of consenting respondents for consultations where those names are not otherwise listed in a separate consultation response document.

CP24/11: Long-Term Investment Fund (Amendment) Instrument 2024

The Investment Association (IA)

Handbook Notice 124

This Handbook Notice describes the changes to the Handbook and other material made by the Financial Conduct Authority (FCA) Board under its legislative and other statutory powers on 31 October 2024 and 28 November 2024.

It also may contain information about other publications relating to the Handbook and, if appropriate, lists minor corrections made to previous instruments made by the Board.

Contact names for the individual modules are listed in the relevant consultation papers and policy statements referred to in this notice.

General comments and queries on the Handbook can be addressed to:

Mary McGowan

Tel: 020 7066 1321

Email: Mary.McGowan@fca.org.uk

However, queries on specific requirements in the Handbook should be addressed first to your normal supervisory contact in the FCA. For most firms this will be the FCA's Contact Centre:

Tel: 0300 500 0597

Fax: 0207 066 0991

Email: firm.queries@fca.org.uk

Post: Contact Centre
Financial Conduct Authority
12 Endeavour Square
London E20 1JN

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