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AFB CEO ROUND UP

November 2026

Key Events | Policy & Regulation | Training Academy | Practice & Events



In last week's Budget, the Chancellor of the Exchequer increased the surcharge on bank profits above £100 million by 3%. This is deeply regrettable and, as I made clear to HM Treasury before the Budget, makes the UK a less attractive place to grow international banking business, even for those banks not immediately impacted. A small comfort was the Chancellor's commitment to the increase only being in place for 15 months from the beginning of next year. However, the AFB will maintain pressure, as temporary tax measures have a habit of becoming more permanent.

More positively, the AFB will be working with the law firm BCLP on a response to the FCA's **CP26/37** and the PRA's **CP14/26** consultation proposals on the second phase of reform of the Senior Managers and Certification Regime. The regulators have proposed substantive changes. We have arranged a member call to discuss the proposals on 27 November (at 14:00). If you would like to participate, please contact **Ethan Moxam**. In addition, AFB and BCLP are hosting an online seminar on 18 November where they will review the FCA and PRA proposals and explore their practical impact on AFB members. You can book your place **here**.

Earlier this week, we circulated our annual member satisfaction survey. I do encourage you to respond, as it is the key method for us to know how we're doing and which services you and your teams value the most. You can access the survey **here**, or for those who can't access Survey Monkey, we can provide an editable PDF format. Please contact **Amy Swain** if you require that version.

As ever, we have a number of excellent sessions coming up for your teams to access expertise and insight on key issues for international banks. We still have some places left for a Masterclass on 18 November, on Mitigating Trade Based Money Laundering (TBML) in **Trade Finance** and on 26 November, we have our final sponsored roundtable of the year with Whistlebrook on Building a Robust, Explainable and Efficient IFRS 9 Expected Credit Loss **Framework**.

Major changes to UK workplace sexual harassment laws came into force on 30 October 2026 under the Employment Rights Act 2025. As a result, we've updated our member agreement and event booking terms and conditions to reflect the obligations on us as an employer. You can read the updated agreement and terms **here**.

Finally, tonight is our Annual Banquet, sponsored by **BDO** & **Crowell and Moring**, and we'll be joined by the Economic Secretary to the Treasury, Lucy Rigby MP, as our guest

speaker. I look forward to welcoming many of you to what is always a very enjoyable evening.

Best wishes,
Giles

LinkedIn Website Email

AFB Member Satisfaction Survey

This survey is your opportunity to share your views and help shape the future of our services. Your feedback is essential to ensure we continue to deliver value and stay true to our commitment to be member-led.
We encourage all users of AFB member services to participate - there's no need for firms to coordinate one response.

Complete the **survey here**

If you are unable to access SurveyMonkey, please contact **Amy Swain** to request an editable PDF version of the survey.

AFB Sponsored Roundtable: Building a Robust, Explainable, and Efficient IFRS 9 Expected Credit Loss Framework

Thursday 26 November 2026
Included in membership

In this session, specialists from **Whistlebrook** will invite members to explore the practical challenges, emerging expectations and future direction of IFRS 9 Expected Credit Loss (ECL) frameworks and examine how technology, data analytics and automation can support more robust ECL modelling, governance, reporting and regulatory compliance.

Find out more **here**

AFB Policy and Regulatory Affairs

Click here for a full list of policy and regulatory affairs projects

Senior Managers & Certification Regime Review - FCA and PRA Phase 2 Consultations

On 22 October 2026, the FCA and the PRA published their consultation papers on their Phase 2 reforms to the Senior Managers and Certification Regime. The FCA's **CP26/37** and the PRA's **CP14/26** propose substantial reforms that aim to reduce the regulatory burden. The regulators propose to remove the Certification Regime entirely, including annual fitness and propriety assessments and (under the PRA) associated regulatory reference requirements. Several SMF roles would move from pre-approval to notification, with SMF5 and SMF10-15 (FCA) and SMF6, SMF20 and relevant committee chair roles (PRA) becoming notification roles, while SMF19s would remain subject to pre-approval. The SMF7 role would be split or narrowed, with many overseas branch and subsidiary SMF7s to fall under notification, and the 12-week rule for temporary cover would be extended to 18 weeks. Submission

requirements for Statements of Responsibilities and Management Responsibilities Maps would be reduced, and a number of Prescribed Responsibilities would be removed to cut duplication. Finally, the FCA proposes raising the Conduct Rule breach reporting threshold for most non-SMF staff to final written warnings or dismissals. The PRA is also proposing changes, but SMF reporting remains unchanged. The regulators are requesting responses to the consultations by 22 January 2027. If you are interested in contributing to the response and/or joining AFB's SM&CR review working group, please contact **Ethan Moxam**.

AFB Priorities Document

AFB has updated its Priorities Document. The Document sets out the key priorities of AFB member banks alongside recommendations of targeted reforms to regulation to strengthen UK competitiveness and support growth across the financial services sector. The updated version (October 2026) can be found on the AFB website **here**.

FCA CP26/38: Financial Crime Guide Updates

On 23 October 2026, the FCA published **CP26/38**, proposing updates to its Financial Crime Guide. The proposed changes to Chapter 4 (Fraud) provide additional guidance and examples of good and poor practice on customer onboarding, transaction monitoring and reporting, as well as adding a reference to the new failure to prevent fraud offence under the Economic Crime and Corporate Transparency Act 2023. The FCA also proposes new guidance on managing financial crime risks associated with cryptoassets, including expectations on onboarding, monitoring and the use of blockchain analytics. Updates to Chapter 7 (Sanctions and Proliferation Financing) would set out the FCA's expectations and examples of good and poor practice across financial and trade sanctions. The proposals include updated guidance on governance, management information, risk assessments, customer due diligence, screening, sanctions evasion detection, asset freezing, licensing and breach reporting. The FCA also proposes enhancements to the proliferation financing section, including self-assessment questions and guidance on strategic export controls, dual-use and military goods, reporting and escalation procedures, and the integration of proliferation financing risks into firms' risk assessments. In relation to data security, the FCA proposes to update legislative references to reflect the Data Protection Act 2018 and UK GDPR, strengthen governance expectations, and refresh self-assessment material to cover emerging risks, including AI, synthetic identity fraud and digital assets. The consultation also includes a number of updates intended to reflect current industry practice on tackling money laundering and terrorist financing, including examples of good and poor practice relating to notification obligations for payment service providers (PSPs) and intermediary service providers. The FCA is inviting responses by 24 December 2026. If you are interested in responding and/or joining the Financial Crime Compliance Working Group, please contact **Nicholas Soutar**.

FCA CP26/36: Cryptoasset Perimeter Guidance

On 21 October 2026 the FCA published **CP26/36**, consulting on changes to its Perimeter Guidance Manual (PERG) to reflect the FSMA 2000 (Cryptoassets) (Miscellaneous Amendments) Regulations 2026. These introduce new exclusions from the regulated cryptoasset activities, which take effect when the regime starts on 25 October 2027. The draft guidance explains how decentralisation can affect perimeter analysis, including who is carrying on an activity, whether it is carried on by way of business and whether it is carried on in the UK. It also covers the new safeguarding exclusions for temporary settlement arrangements, for UK qualifying stablecoins and their backing assets, and for arrangements operated by recognised

and third-country central securities depositories. On stablecoins, the FCA proposes guidance on the new "UK qualifying stablecoin" concept, the distinction between qualifying stablecoins and electronic money, and the new dealing and arranging exclusions, with consequential changes to PERG 8 on financial promotions. The draft guidance also addresses the new exclusion from dealing as principal for proprietary trading and market making on a qualifying cryptoasset trading platform, and the exclusion from arranging deals for technical service providers, including those providing access to decentralised protocols. As the FCA can only interpret the perimeter rather than change it, it is asking whether its interpretation accurately reflects the legislation. Comments are due by 18 November 2026. The online response form can be found on the FCA website **here**.

PRA CP13/26: The Prudential Regulation Authority's Automatic Thresholds Indexation Framework

On 7 October 2026 the PRA published **CP13/26**, proposing to index 128 fixed nominal thresholds in the PRA Rulebook and PRA guidance automatically to UK nominal GDP to prevent 'prudential drag' as the economy grows. The first update would take effect on 1 July 2031, with updates every five years thereafter. Thresholds would not be reduced if nominal GDP falls. The leverage ratio retail deposits threshold and O-SII buffer thresholds are excluded, while the Bank of England will index its MREL thresholds separately. An accompanying discussion paper seeks views on thresholds where the case for indexation is less clear, including IRB model, liquidity, remuneration and SM&CR thresholds. The PRA's deadline for responses is 7 February 2027. If you are interested in contributing to AFB's response, please contact **Nicholas Soutar**.

Practice, Training & Events

Click here to view our events and training calendar

AFB Virtual Seminar: The Economic Outlook for the UK in 2027
09 Nov - Included in membership - **May Rostom, Chief UK Economist at Citibank UK**

AFB Practice Workshop: How to deal with Partial Exemption Special Methods for VAT *waiting list only*
10 Nov - £275+VAT - **BDO**

AFB Practice Roundtable: Embedding Supervisory Statement 5/25 - Climate Risk Data, Quantification and Strategy
17 Nov - Included in membership - **Deloitte**

AFB Seminar: ICAAPs and ILAAPs in a post-Basel 3.1 Landscape *waiting list only*
17 Nov - Included in membership - **Grant Thornton**

AFB Virtual Seminar: Senior Managers and Certification Regime - Examining the PRA and FCA's Proposed Phase 2 Reforms and What Happens Next
18 Nov - Included in membership - **BCLP**

AFB Non-Executive Directors (NEDs) Forum
18 Nov - Included in membership - **Herbert Smith Freehills**

AFB Practice Workshop: Conducting Fair, Thorough, and Proportionate Investigations in the New FCA Non-Financial Misconduct Regime *waiting list only*
24 Nov - £275+VAT - **Stephenson Harwood**

AFB Seminar: AI in Financial Services - Regulatory Risks, Governance and Enforcement in the UK and US *waiting list only*
25 Nov - Included in membership - **WilmerHale**

AFB Sponsored Roundtable: Building a Robust, Explainable and Efficient IFRS 9 Expected Credit Loss Framework
26 Nov - Included in membership - **Whistlebrook**

AFB Seminar: UK–EU Financial Crime Compliance – Practical Implications of Differing UK and EU Requirements in AML/CFT, Anti-Bribery and Corruption, and Sanctions Compliance
01 Dec - Included in membership - **Grant Thornton**

AFB Practice Roundtable: Global AI Deployments and Local Regulatory Compliance – Key Challenges for International Banks
02 Dec - Included in membership - **TLT LLP**

AFB Seminar: Crypto-related Risks and Compliance – Regulatory Implications for International Banks
03 Dec - Included in membership - **Richardson Lissack** and hosted by **Aon**

AFB Young Professionals Network *waiting list only*
07 Dec - Included in membership - hosted by **State Street**

Financial Crime Training Programme

AFB Financial Crime Masterclass Series
Held in partnership with Great Chatwell Academy of Learning **(GCAL)**

Managing Sanctions Risks (Identifying the Risks in Transactions and Trade)
10 Nov - £410+VAT

AFB Financial Crime Masterclass: Mitigating Trade Based Money Laundering (TBML) in Trade Finance - Part 2
18 Nov - £410+VAT *Last few places remaining*

Financial Crime Online & On-Demand Training Courses

SARs (Suspicious Activity Reports) Compliance Certificate
Fraud Risk Management Compliance Certificate
Financial Crime Risk Assessment Compliance Certificate
Customer Risk and CDD Compliance Certificate
Managing the Risks of Terrorist Financing Advanced Certificate
Self-guided - £720+VAT (includes 10% discount for AFB members) - **GCAL**

Climate Financial Risk and Green Finance Training Programme

The Chartered Banker Institute Certificate in Green and Sustainable Finance
Self-guided - £670+VAT – Virtual

The Chartered Banker Institute Certificate in Climate Risk
Self-guided - £670+VAT – Virtual

FT Live - Global Banking Summit
1 - 3 December 2026

In-Person & Digital | Convene Sancroft, St Paul's, London

The Financial Times and The Banker will convene global banking leaders to examine the forces reshaping global finance in 2027 and beyond, from macroeconomic volatility and geopolitical fragmentation to rapid technological change. Hear from CEOs including Barclays, Lloyds Banking Group, NatWest, Banco Sabadell and more. #FTBanking.

Join the conversation - **register here**.

Save 20% on your pass with code **AFB**.

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