UK Finance

UK Finance response to CP26/31 – Chapter 11

Call for Input on key contractual requirements for the equity CTP

September | 2026

FCA CP26/31: Call for Input on key contractual requirements for the equity CTP

UK Finance response: 18 September 2026
Submitted via email to: equityconsolidatedtape@fca.org.uk

Dear Fiona,

We welcome the opportunity to respond to this thoughtful consultation and thank the FCA for its continued engagement with industry on the UK equity consolidated tape (CT). UK Finance strongly supports the implementation of a UK equity CT. Our members believe that a well-designed equity CT has the potential to provide an affordable, accessible and valuable source of consolidated market data for users.

In summary, our response below sets out that if the FCA chooses to proceed with revenue-sharing, then a profit-sharing approach would best support the commercial sustainability of the Consolidated Tape Provider (CTP) and the long-term success of the CT.

We encourage the FCA to ensure that any framework adopted remains proportionate, transparent and sufficiently flexible to accommodate future market developments. The framework should also avoid introducing requirements that unnecessarily reduce bidder participation in the CTP procurement process.

We strongly support the FCA's assessment that UK equity markets are functioning effectively and that the CT should build on the strengths of the existing market structure by improving access to market data. We also welcome the FCA's focus on ensuring that the CT remains commercially sustainable, affordable and capable of delivering long-term benefits to market participants.

Once you have had the opportunity to consider this document, we would be pleased to facilitate further discussions with our members and to work with you and your team to support the development of future consultation proposals.

We look forward to continuing to engage with the FCA on its work on equity markets in the coming months and sharing our forthcoming responses to CP26/30 and CP26/31 – Chapter 10 in October.

If you have any questions, please do not hesitate to get in touch.

Yours sincerely,

Yvonne Deane Harte
Director, Secondary Markets & Post-Trade Policy

UK Finance's response to FCA CP26/31 Chapter 11 - *Call for Input on key contractual requirements for the equity CTP*

FCA Questions

Revenue sharing

Question 4: Do you agree that our contract with the equity CTP should require it to share a fixed percentage of its profits with data contributors? Y/N. Please give your reasons.

Question 5: If you disagree with Question 4, would you support a gross revenue sharing model? Y/N. Please give your reasons.

Question 6: Do you agree with our thinking on how we would design and administer a profit-sharing model? Y/N. Please give your reasons.

Question 7: Do you have any views on how oversight of a profit-sharing model should operate? Do you see a need for an independent assurance mechanism, and do you think the cost of such a requirement would be viable for the CTP?

Question 8: Do you agree that we should require the CTP to share a fixed percentage between 10% and 30% of its earnings before taxes with data contributors? Y/N. If so, which percentage do you think we should require?

Question 9: If you instead support a gross revenue sharing model, what percentage of this metric do you think we should require the CTP to share? Do you think it should be between 1% and 5%? Y/N. Please give your reasons and, if relevant, suggest an alternative percentage.

UK Finance responds to Questions 4 to 9 collectively below.

As set out in UK Finance's response to CP25/31, if the FCA chooses to proceed with revenue sharing, our members believe that appropriate safeguards should be included to ensure the CT remains affordable for users. A profit-sharing model is the best available approach for achieving this (see below). The CT needs to remain commercially viable, simple to access, and useful to a broad range of market participants.

UK Finance does not favour revenue sharing *in principle*, consistent with our response to CP25/31. We note that a revenue sharing model would represent a change from the approach set out in the FCA's earlier consultation, which indicated that there would be no revenue sharing for data contributors. Revenue sharing could introduce additional complexity and frictional cost, and may increase the cost of the CT for users. This could undermine the objective of delivering an affordable, simple-to-use and widely accessible source of consolidated market data. The principal purpose of the CT is to improve access to market data, provide a fuller picture of market liquidity, and help reduce data costs and licensing frictions.

UK Finance members believe that if redistribution to data contributors is considered necessary by the FCA, a profit-sharing approach would be preferable to gross revenue sharing. Profit-sharing better supports the commercial and long-term sustainability of the CTP and allows the provider to recover costs associated with establishing and operating the CT, while limiting the risk of higher costs for users.

The FCA should also consider the potential wider market implications of any revenue-sharing mechanism. For example, if an existing market data provider were disadvantaged by the introduction of a CT, there is a risk that displaced revenues could be recovered through charges for other services that firms continue to require. This could create unintended consequences elsewhere in the market structure. Further, any revenue-sharing mechanism should be designed so as not to incentivise a shift in trading activity from one type of execution venue to another, including from SIs to other venue types. Preserving venue neutrality should be a key design principle.

We therefore consider that any model should be tightly constrained by affordability, simplicity and the need to avoid increasing overall market data costs.

Operating Hours

Question 10: Do you consider operating hours of 07:30 to 18:00 would be appropriate for the equity CT? Y/N. Please give your reasons.

Question 11: Do you consider that longer operating hours would result in significant cost or complexity for the CTP? Y/N. Please give your reasons.

Question 12: If UK trading hours were extended in the future, do you consider that the equity CT should also be required to extend its operating hours? Y/N. Please give your reasons. If so, how do you think this process should work?

UK Finance responds to Questions 10 to 12 collectively below.

UK Finance agrees with the FCA's proposed operating hours of 07:30 to 18:00.

This aligns with current main market trading arrangements and appears sensible for today's market structure. However, the design of the CT should be sufficiently flexible to account for changes to trading hours in the future. Market structure is moving towards longer or near-continuous trading hours (for example, LSE will move to 24/5 trading in 2027). The CT could lose its credibility and utility if it failed to capture this market shift. A CT that excludes trades outside 07:30 to 18:00 would create gaps in the market record and lead to an outcome where the CT does not provide a comprehensive picture for market participants and, in turn, reduce confidence in the CT as the authoritative reference source.

The FCA should build flexibility into the framework. The CT should be capable of adapting to future extensions in market hours and reflect the actual trading hours adopted by venues over time. The FCA should ensure that the procurement requirements and operating model allow the CT's operating hours to be extended. There is a need, therefore, for a flexible and carefully calibrated approach that supports current market hours while allowing future expansion where necessary.

About UK Finance

UK Finance is the collective voice for the banking and finance industry. Representing more than 300 firms across the industry, it seeks to enhance competitiveness, support customers and facilitate innovation. Our primary role is to help our members ensure that the UK retains its position as a global leader in financial services. To do this, we facilitate industry-wide collaboration, provide data and evidence-backed representation with policy makers and regulators, and promote the actions necessary to protect the financial system. UK Finance's operational activity enhances members' own services in situations where collective industry action adds value. Our members include both large and small firms, national and regional, domestic and international, corporate and mutual, retail and wholesale, physical and virtual, banks and non-banks. More information is available on our **website**.

Key contacts:

Yvonne Deane Harte, Director, Secondary Markets & Post-Trade Policy
yvonne.deaneharte@ukfinance.org.uk

Mark Hudson, Principal, Head of Capital Markets & Wholesale Public Policy
mark.hudson@ukfinance.org.uk

Andrea Macleay, Manager, Capital Markets & Wholesale Policy
andrea.macleay@ukfinance.org.uk