

Capital markets reform in the UK: Further refinement

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With the implementation of the UK's new prospectus regime on January 19, 2026, five years of debate, consultations and reform to improve the competitiveness of the UK capital markets reached a conclusion. This briefing highlights further refinement of the new UK listing regime and its operation in practice.

The new UK listing regime: A recap

Since January 19, 2026, the UK listing regime has consisted of the following key elements:

UK listing regime

Financial Services and Markets Act (as amended) (FSMA): provides the overarching legal framework for securities regulation in the UK and establishing the Financial Conduct Authority (FCA) as the UK's key regulator.

Public Offers and Admissions to Trading Regulations (POATRs): restrict public offers of securities in the UK unless an exception applies.

UK Listing Rules sourcebook (UKLRs): govern process for admission to the Official List and continuing obligations once admitted.

Prospectus Rules: Admission to Trading on a Regulated Market sourcebook (PRMs): govern when a prospectus is required and content, approval and publication requirements regarding the same.

Disclosure Guidance and Transparency Rules sourcebook (DTRs): govern continuous disclosure and market reporting obligations.

UK Market Abuse Regulation (UK MAR): governs handling and dissemination of inside information and related offences.

In addition, specific regulations govern public offer platforms, investment research, short selling activity and platforms for trading private company shares; admission to trading on the Main Market of the London Stock Exchange is governed by its Admission and Disclosure Standards; governance best practice recommendations are set out in the Financial Reporting Council's UK Corporate Governance Code; and inclusion in the FTSE UK Index Series is governed by the rules published by FTSE Russell.

For more detail on how capital markets reform impacted the areas referred to above, please see our [summary note](#) and the [briefings](#) published over recent years on capital markets reform in the UK.

Updated FCA guidance, forms and checklists

Over the last six months the FCA have substantially completed the process of consulting on and updating its technical guidance to reflect the end of the Brexit transition period and the new UKLRs and PRMs. Updated guidance can be found in the FCA's [knowledge base](#). To the extent that there are still any extant references to historic rules, the FCA has indicated that it expects market participants to take a purposive approach.

The FCA has also completed the update of its forms and checklists (including sponsor declarations) to reflect the POATRs and PRMs. The forms and checklists can be accessed on the FCA's [website](#).

Changes to PRMs relating to incorporation by reference and filing of announcements

The FCA made a number of minor amendments to the PRMs effective March 27, 2026 (through the [Prospectus Rules \(Miscellaneous Amendments\) Instrument 2026](#)) including corrections to address drafting errors, stylistic changes to achieve consistency, and clarifications to explain the scope of certain obligations.

The two more substantive changes of note were as follows:

- **Incorporation by reference** – the PRMs have been amended to permit incorporation by reference into a base prospectus of information that has not yet been published (provided certain conditions are met). This change is to enable future periodic financial reporting to be incorporated by reference, so that companies are not required to prepare a supplementary prospectus.
- **Filing of announcements** – the PRMs have been amended to require announcements of admissions to trading of securities (made via Primary Information Providers (PIP)) to be filed with the national storage mechanism (NSM). In practice PIPs usually file all required notifications with the NSM voluntarily, so this change is unlikely to increase the workload of companies and PIPs.

Consultations on further changes to UKLRs and PRMs

On March 6, 2026, the FCA published [Quarterly Consultation Paper 51](#) proposing clarificatory amendments to the PRMs and minor updates to the UKLRs as follows:

- **Securities issued to directors/employees** – PRM 1.4.12R currently provides an exemption from the requirement to produce a prospectus for the admission of securities issued to existing or former directors or employees. The FCA proposes clarifying that the exemption does not apply where the securities are issued as part of an arrangement to raise funds from or satisfy an obligation with a third party for the benefit of the company. This is consistent with the FCA's policy intention that the exemption should not apply to issuances to directors or employees for the purpose of an onward transfer to a third party.
- **Statements accompanying protected forward-looking statements (PFLS)** – PRM 8.2.3R currently requires a content-specific accompanying statement for a PFLS to appear immediately next to the PFLS to which it relates (explaining how PFLS was identified and alerting investors to its general characteristics). To facilitate readability of the document, the FCA proposes clarifying that the content-specific accompanying statement does not need to be repeated each time the PFLS appears, so long as it appears immediately adjacent to at least one instance of the PFLS (with the reader directed to the content-specific statement each other time the PFLS appears).
- **Three-day rule** – PRM 9.5.2R requires an IPO prospectus to be published at least three working days before the end of the offer period. The FCA proposes clarifying that this requirement only applies if the IPO involves retail participation. This is consistent with the FCA's policy intention for the timeframe to apply to retail offers only (as reduced from a historic six-day period) to encourage retail participation.

- **Announcement of new admissions** – UKLR 6.4.4R(4) requires listed companies to announce new admissions to trading of their securities “as soon as possible”, and UKLR 6.4.5R permits such announcements to be delayed in certain circumstances. The FCA proposes deleting these rules, to remove duplicative and contradictory regulation. UKLR 1.6.4R would be retained, which requires companies to notify admissions to trading within 60 days of allotment.

Comments on the consultation were requested by March 23, 2026 (for the changes to the UKLRs) and by April 20, 2026 (for the changes to the PRMs).

Changes to UKLRs to extend deadline for companies to announce buybacks of their own securities

On February 27, 2026, the FCA published the [UK Listing Rules \(Notification of Purchases\) Instrument](#) amending UKLR 9 relating to buybacks by listed commercial companies of their own securities to provide that:

- **Share buybacks** – the deadline for the announcement of purchases of own equity shares by or on behalf of a listed company (or any other member of its group) has been extended from the business day following the date of purchase to the end of the seventh daily market session following the date of purchase (under UKLR 9.6.6R). This change was to remove duplicative regulation and reduce costs for companies by limiting the number of announcements required.
- **Convertible securities** – the announcement deadline under UKLR 9.7.3R (relating to repurchases, early redemptions and cancellations of securities convertible into the class of listed equity securities, exceeding 10% in aggregate of the amount of the convertible security and then 5% in aggregate thereafter) has also been extended to the end of the seventh business day following the date on which the relevant threshold is reached or exceeded.

The content requirements for announcements remain the same and the UKLRs do not define “daily market sessions”, but the FCA may revisit these points in future.

FTSE Russell update free float requirements for non-UK companies to be eligible for FTSE UK Index Series inclusion

On March 26, 2026, FTSE Russell [announced](#) that with effect from its June 2026 index review, both UK and non-UK incorporated companies with a minimum free float of 10% will be eligible for inclusion to the FTSE UK Index Series, subject to satisfying all other inclusion criteria. The current minimum free float requirement for non-UK incorporated companies is 25%.

The rule change is intended to make the indices more representative of the real economic exposure they are designed to measure and align inclusion criteria for all companies with the London Stock Exchange's Main Market minimum free float requirement.

Future of UK Capital Markets series

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If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

Will Pearce

+44 20 7418 1448
will.pearce@davispolk.com

Mark Chalmers

+44 20 7418 1324
mark.chalmers@davispolk.com

Joseph Scrace

+44 20 7418 1314
joseph.scrace@davispolk.com

Vivek Thanki

+44 20 7418 1094
vivek.thanki@davispolk.com

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