

Investment Committee Meeting
22 June 2026, 11.00am to 1.00pm
Room 6.5, 18 Smith Square, London and
Microsoft Teams

Paper E: Update of Board's guidance on MIFID II compliance

Key points to note

This paper draws the committee's attention to the Board's previous guidance and templates that were published to support compliance with the MIFID II directive. This guidance was archived pending a review of whether it was still suitable. That review has been completed, and the secretariat would like to make the guidance live again.

Recommendation

That the committee agrees that the relevant materials be removed from the SAB website archive and added to the live site.

Background

The Board has recently completed a thorough restructure and review of its website and all of material contained on it. That included checking that all content was accurate, up to date and accessible. As part of that review, we felt that it would be necessary to do some due diligence on the section of the site that dealt with MIFID compliance. These pages had not been updated since they were first uploaded and so the secretariat decided to archive them temporarily, pending confirmation with stakeholders that they were still accurate and helpful.

Considerations

We have approached representatives of the investment pools, MHCLG and the FCA for a view of our proposal to reinstate this guidance.

At a meeting on 2 June with representatives from the six pools, it was agreed that the Board's forms and guidance on "opting up" partner funds were still useful and would be needed for pools in relation to their new partner funds.

In terms of a government view, we have not yet had a substantive response from MHCLG, but the FCA has confirmed that each of the FCA-authorized pools are

limited to professional investors in terms of customer type, and that all administering authorities will therefore need to be “opted up” to classify as professional investors.

The FCA has confirmed that it was always necessary that authorised pools undertook this process and we believe that when pools were initially established the Board guidance was followed. Helpfully, the FCA have also confirmed in correspondence that they have no specific concerns about that practice continuing given their experience of supervising the pools and their previous experience in opting up AAs. The FCA also acknowledged that AAs had significant size, experience and sophistication as investors.

As we have found no cause to doubt that the existing guidance and templates are still fit to use, it is proposed that we move the relevant material from the archive to the live site.
