



# Accelerated Settlement in the UK

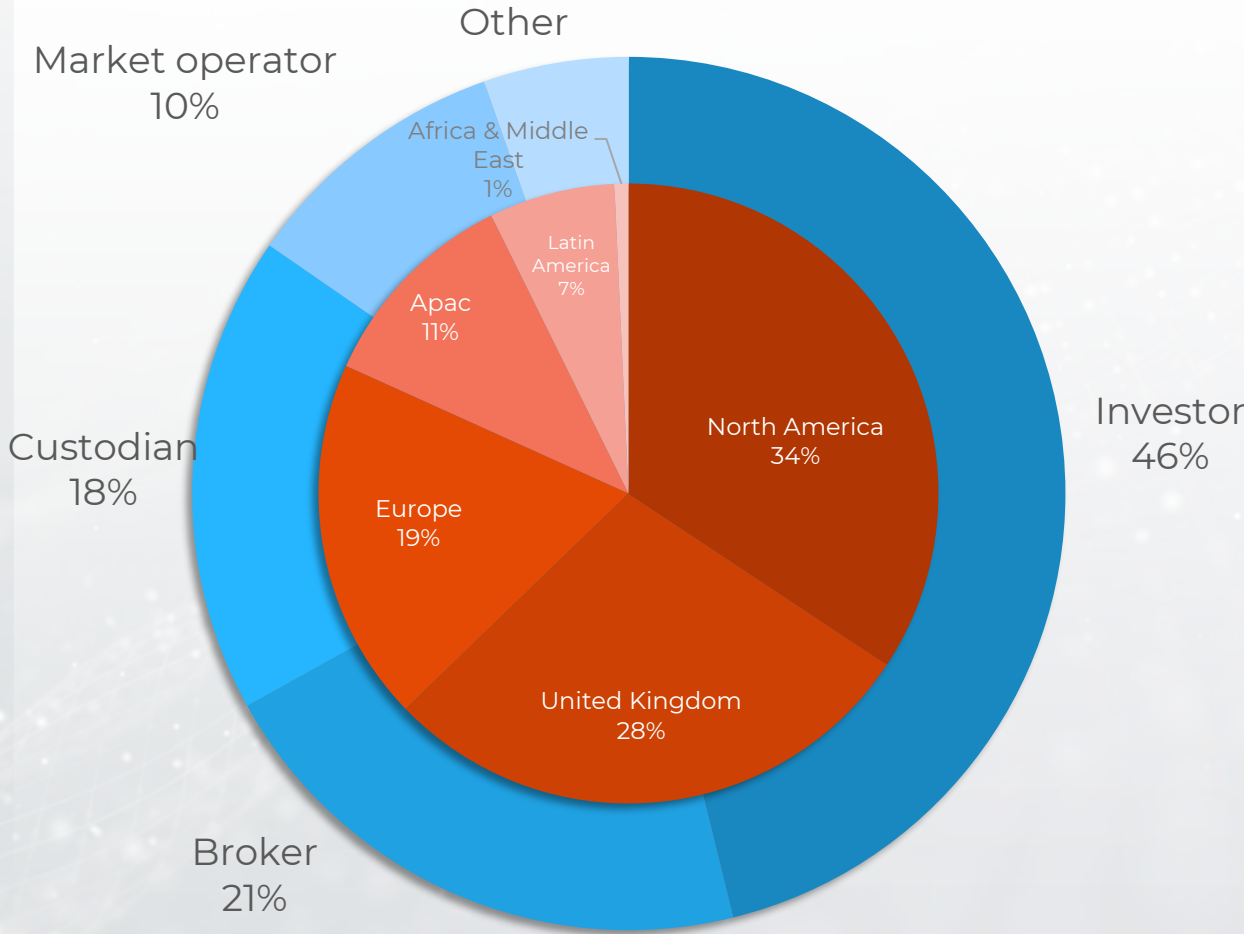
## Q1 2025 Pulse survey Key Findings

# Accelerated Settlements in the UK

## Q1 2025 Pulse survey



### Who participated?



**How ready is the global finance community for a transition to T+1 settlements in the UK?**

**Led by the UK Accelerated Settlement Taskforce, with the support of Euroclear, DTCC and an extensive range of industry associations around the world, this latest pulse survey provides fresh, statistical insights on where and how the journey towards T+1 in the UK is progressing.**

**These key findings are based on the results of our pulse check conducted in February 2025, drawing on insights from over 557 financial services professionals around the world.**

This is a discussion document and we look forward to discussing the results of this research with you – to help you make the case for transformation in your organisation.



# Accelerated Settlements in the UK

## Q1 2025 Pulse survey



### Key findings

#### The Path to T+1

- 29% of allocations and confirmations need to be accelerated before December 2026
- Asian investors and small firms have to accelerate over 30% of their settlement instructions before October 2027
- The market is well engaged but most have yet to act to prepare for T+1 in the UK
- Investments in North American T+1 have made us more ready for the UK
- T+1 in the UK is expected to be up to 56% easier than in the US – although funding and fails management stand out as being key issues for the UK
- T+0 processing is the key enabler to the UK transition for up to 75% of firms
- The problem is that up to 35% of firms don't know what T+1 in the UK means – least of all in funding and valuations

#### Key risks

##### #1 Understanding T+1

The market needs consistency and of clarity rules

##### #2 Are we planning to be late?

More than 33% of firms believe that their investments into Middle and Back-office processing from US T+1 will pay dividends for the UK transition

Work on T+1 in the UK looks set to begin in 2026

Only 6% of UK fund managers expect T+1 to impact their fund dealing cycles for T+1

Up to 26% of firms are already scheduled to miss the 2026 market deadline for allocations on T+0

##### #3 People vs Process vs Platforms

49% of project activity for T+1 in the UK is process transformation

##### #4 The Case for T+1

39% of respondents believe that T+1 will negatively impact their costs – especially in the UK





# T+1 in the UK: What is it?



## Market guidelines

### **Allocations by 23:59**

GMT on T+0  
(by end 2026)

### **Confirmations by 23:59**

GMT on T+0  
(by end 2026)

### **Settlement instructions sent by 05:59**

GMT on T+1  
(by Oct 2027)



## Technology Recommendations

- SSI automation (and adoption of FSS standards)
- Automation of allocations and confirmations
- Securities lending trade automation
- Securities lending recalls automation
- Use of split / partial settlements (to optimise settlement efficiency)
- Use of trade shaping (to optimise settlement efficiency)
- PSET / PSAF automation
- Hold & release implementation
- Changes to debt issuance processes
- Changes to stamp duty processing
- Changes to claims and corporate action processing
- Unique trade identifier (UTI ) adoption



## Code of Conduct



# T+1 in the UK: The journey



## T+1 in UK Timeline

2025

**1 February**  
2025

### Start date for:

- HMT to begin preparations to amend CSDR
- Trading venues to amend their rulebooks
- FMIs to review their systems and processes
- Publication of the Crest modernisation plan
- Automation of stock lending recalls

2025

**1 April**  
2025

### Start date for:

- Allocation and confirmation matching on T+0
- Adoption of industry standard and automated processes
- New post-trade policies and procedures
- Settlement instructions to be sent to the CSD as soon as possible
- Adoption of FMSB SSI templates

2026

**30 June**  
2025

### Target completion date for:

- Publication of the Crest modernisation project plan

2026

**31 December**  
2026

### Target completion date for:

- Allocation and confirmation changes, including policy and procedural changes
- FMI system updates
- Adoption of FMSB SSI templates
- Automation of stock lending recalls

2027

**11 October**  
2027

### End date for:

- UK CSDR amendments
- Trading venue changes
- Trading parties to comply with T+1
- Change market cut off for stock lending recalls





**01**

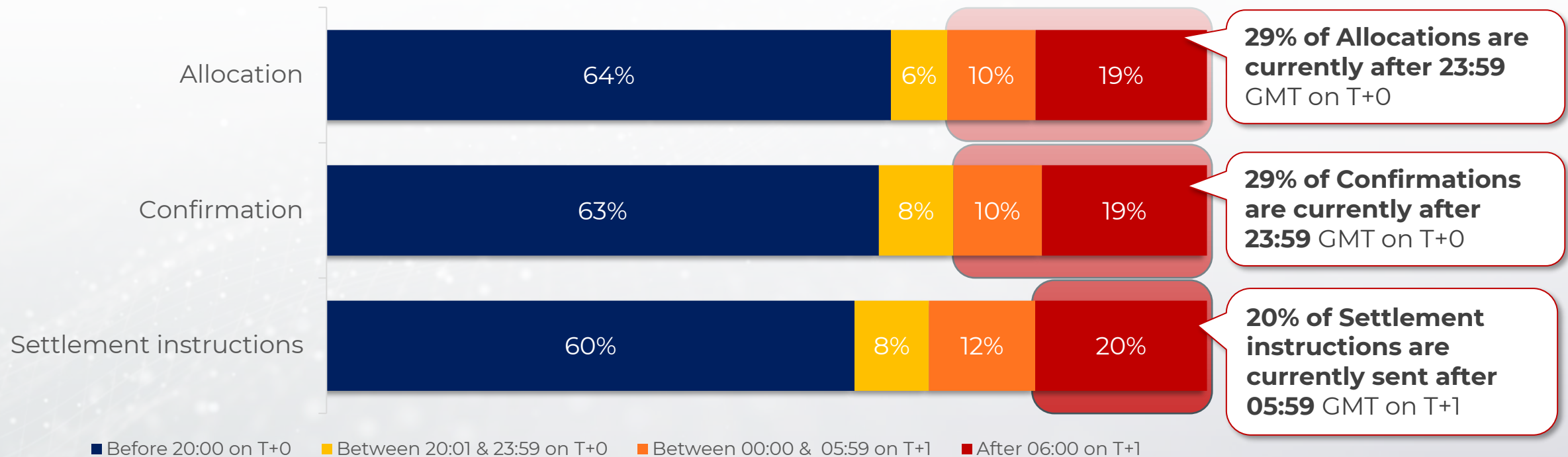
# The Path to T+1 in the UK



# 29% of allocations and confirmations need to be accelerated before December 2026



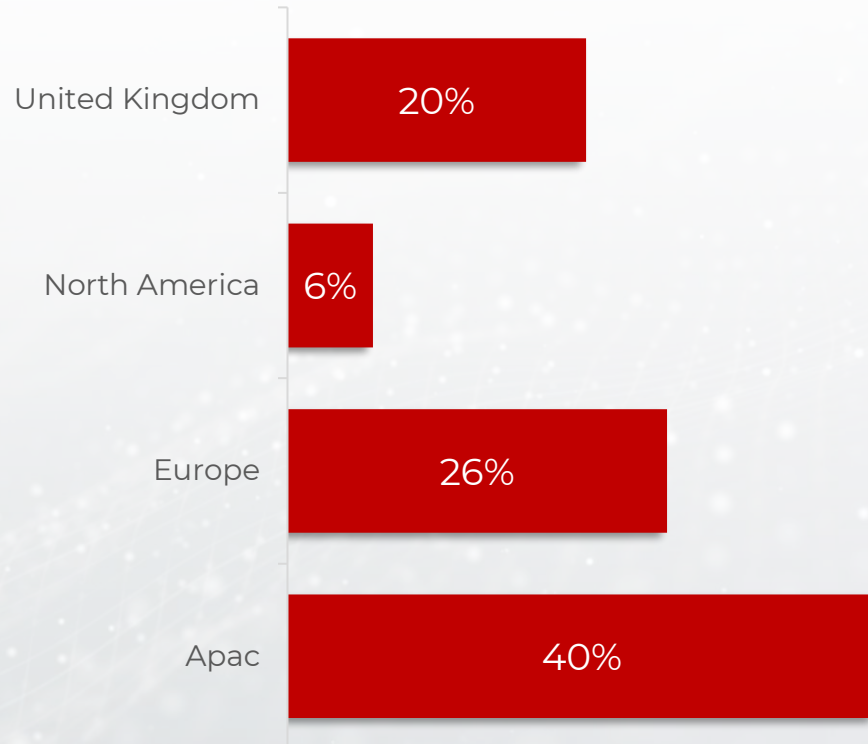
**Distribution of messaging volumes by time-frame today (for UK)**



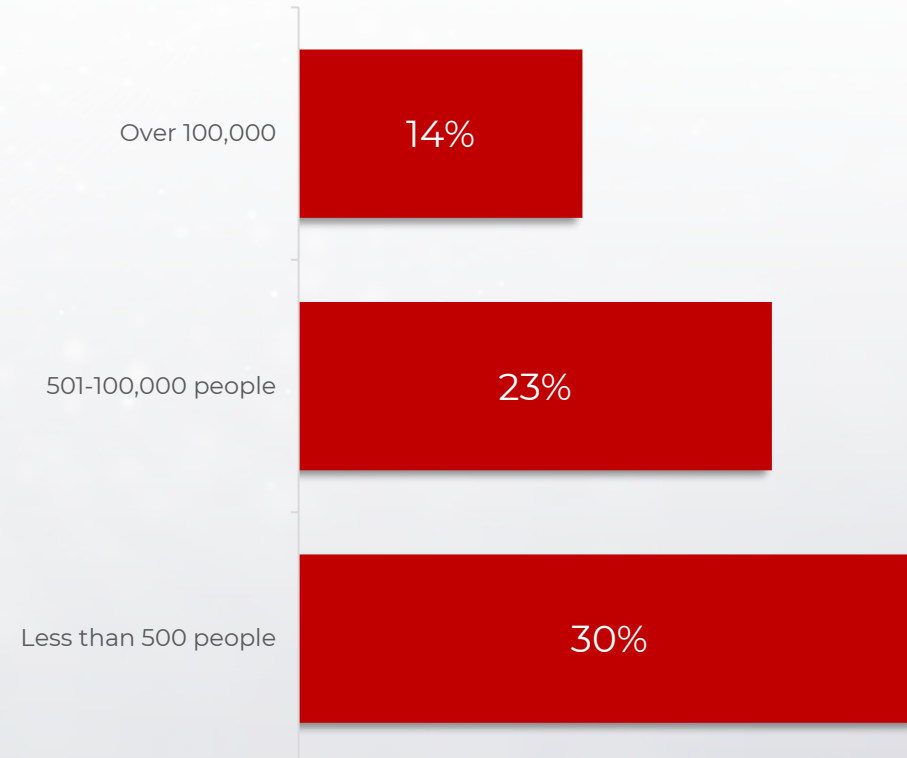
# Asian investors and small firms have to accelerate over 30% of their settlement instructions before October 2027



% of Settlement instructions sent today  
after 6:00am GMT on T+1



% of Settlement instructions sent today  
after 6:00am GMT on T+1

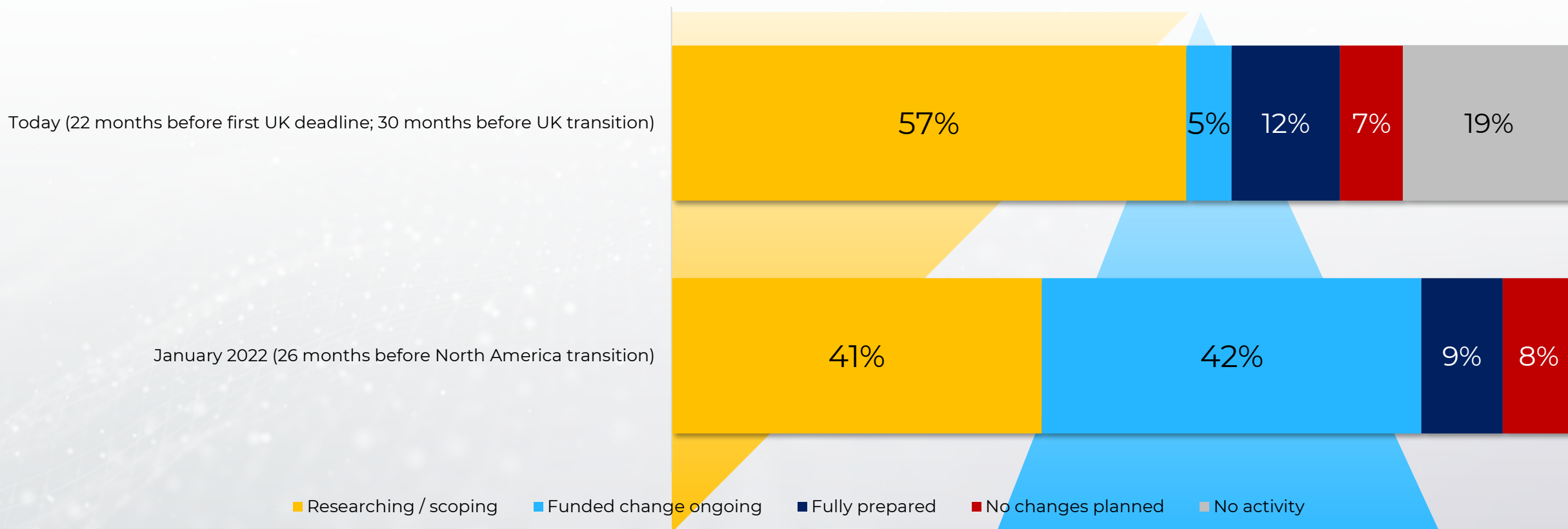




# The market is well engaged but most have yet to act to prepare for T+1 in the UK



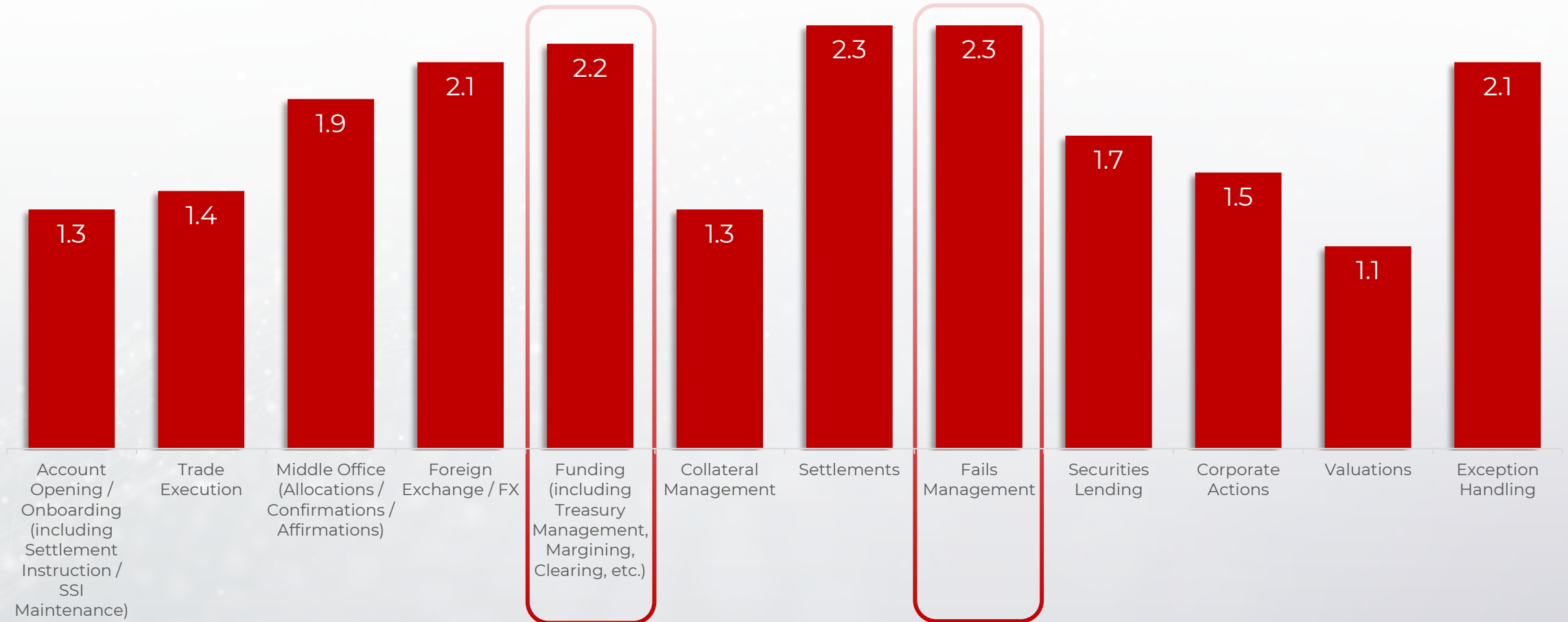
Preparation status for T+1 (% of respondents by stage for UK, compared with North America at the same time)



# T+1 in the UK: funding and fails management stand out as being key issues for the UK



Expected Impact of T+1 Transition in UK  
(Scores out of 5, where 5 is maximum)



# T+1 in the UK is a global exercise: as Custodians and overseas firms see it as most impactful



**Average expected impact of T+1 on firms**  
(where 0 = no impact and 5 = maximum impact)

North  
America

UK

Europe

Asia-  
Pacific

Brokers

2.9

0.8

2.4

2.2

Custodians

2.9

2.3

2.7

2.5

Investors

1.4

2.2

1.5

2.8

Market Operators

1.7

1.1

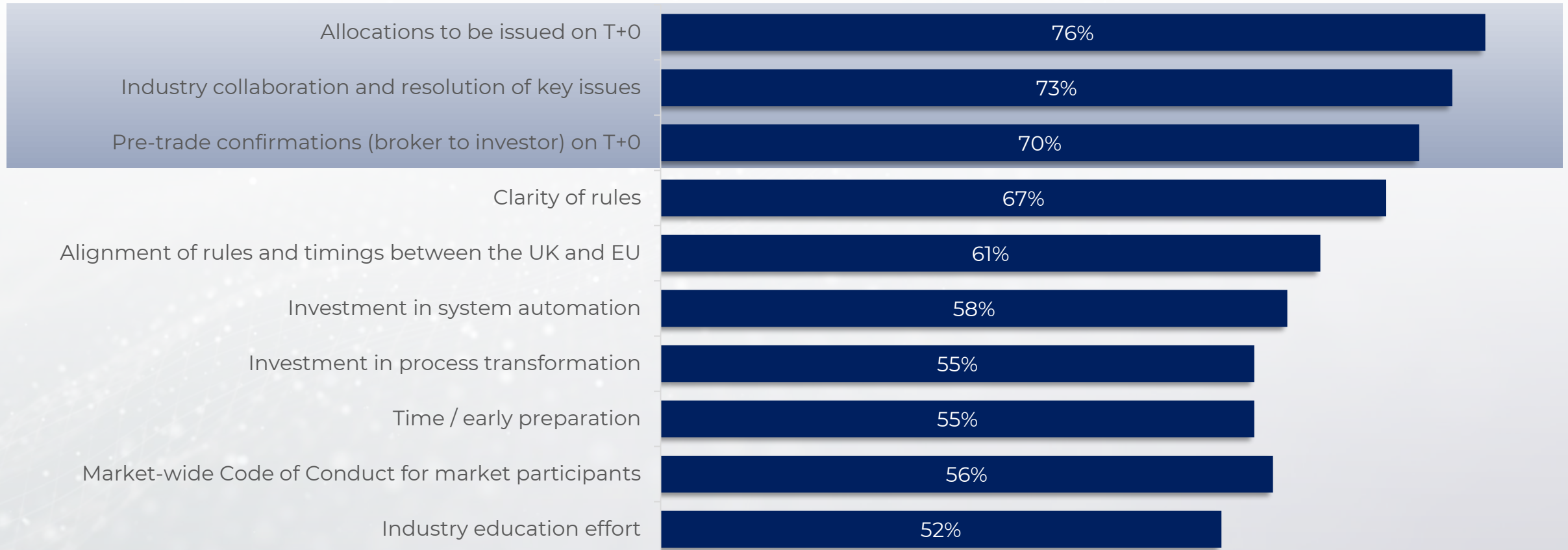




# T+0 processing is the key enabler to the UK transition for up to 75% of firms



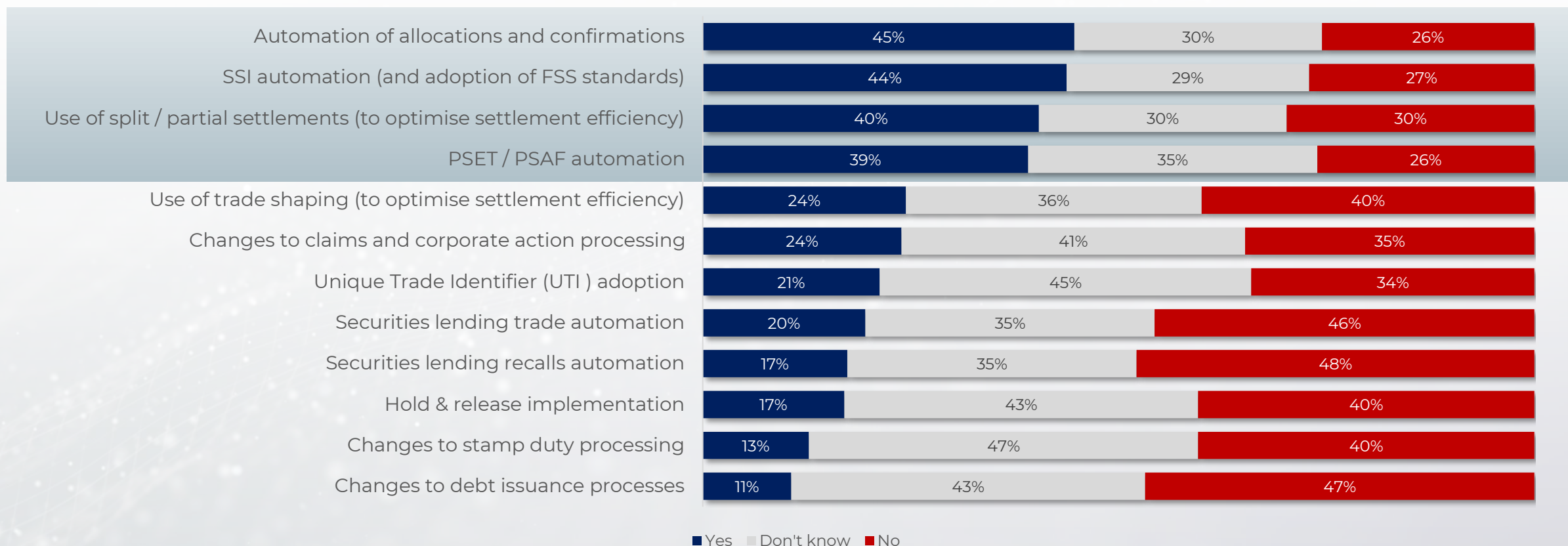
## Key enablers to a smooth transition to T+1 processing in the UK (% of respondents citing each driver)



# Whilst plans are still taking shape, almost 40% of the industry is already focused on middle office automation, SSI automation and settlement automation



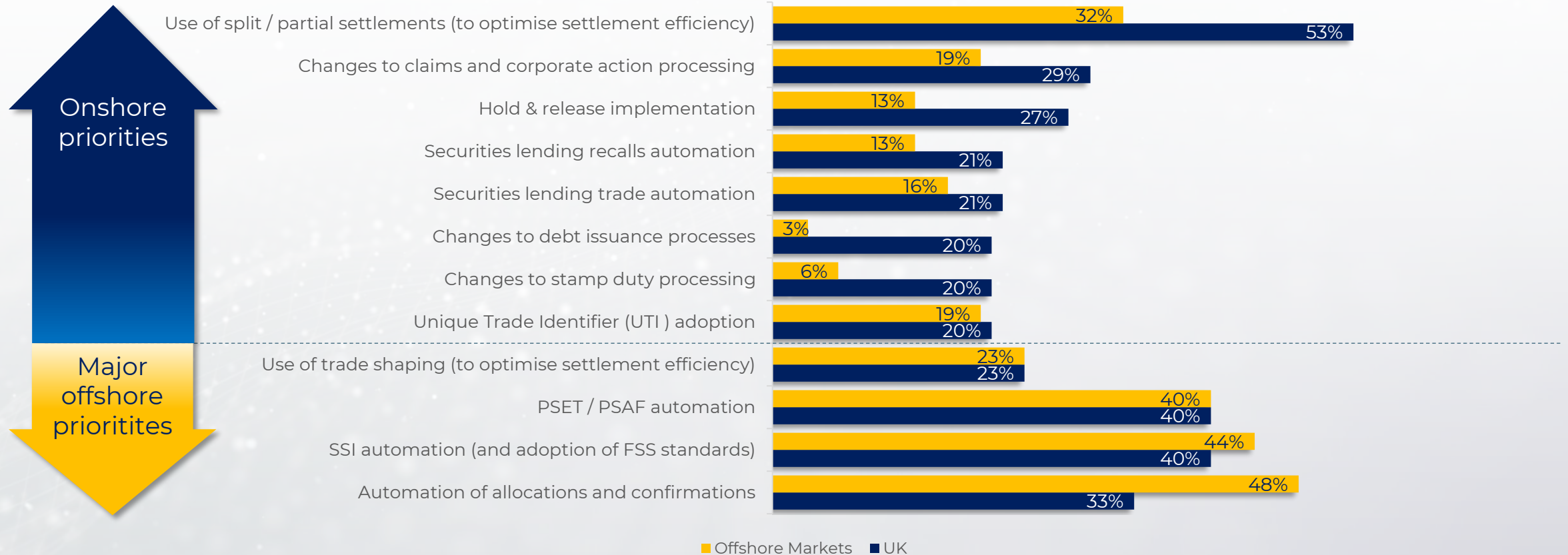
## Planned areas of investment for T+1 in the UK (% of respondents planning to invest in each area, by nature of plans)



# Allocations and SSI automation or partial settlements and corporate actions. A different to-do list depending on location



## Planned areas of investment for T+1 in the UK (% of respondents planning to invest in each area, by nature of plans and respondent location)

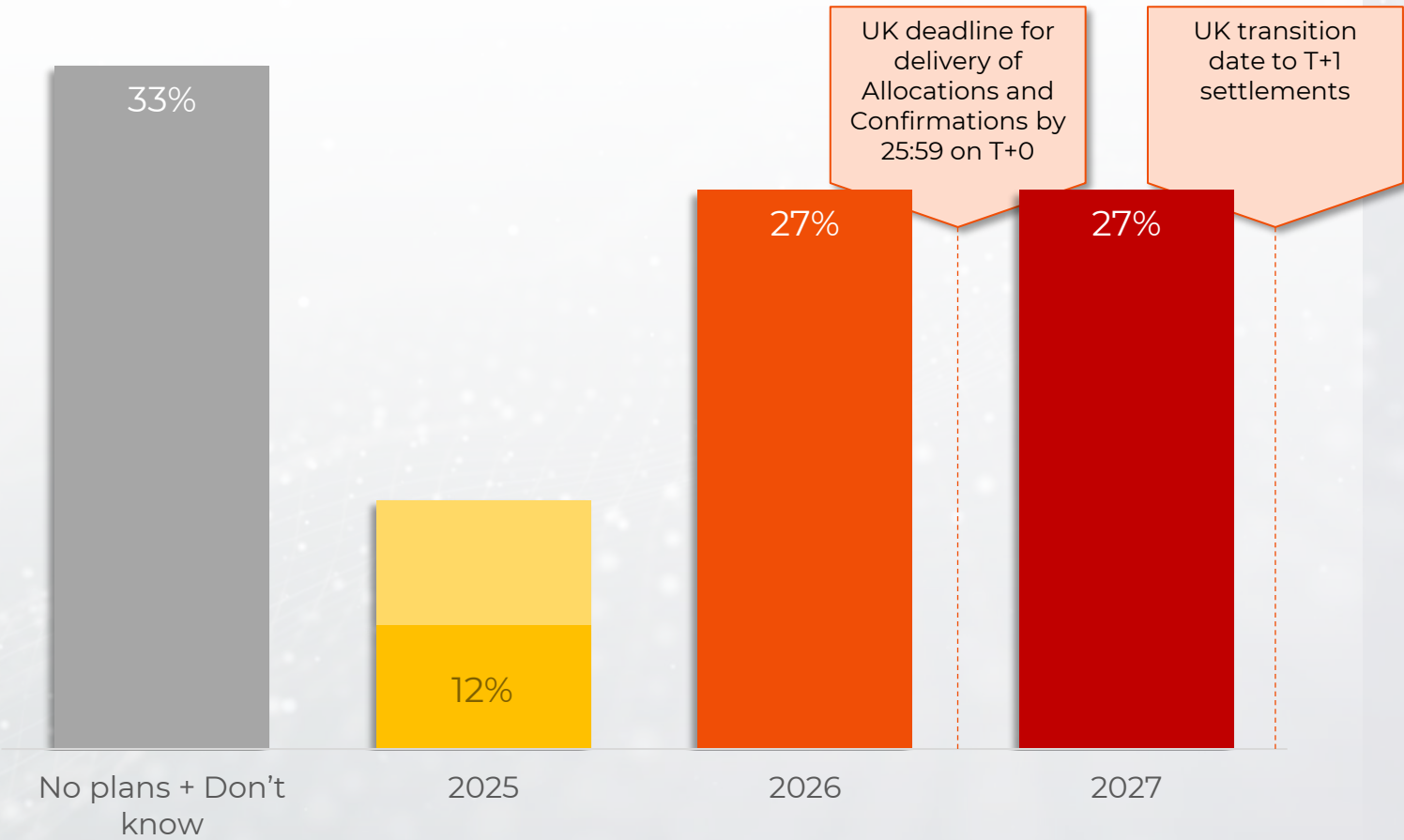




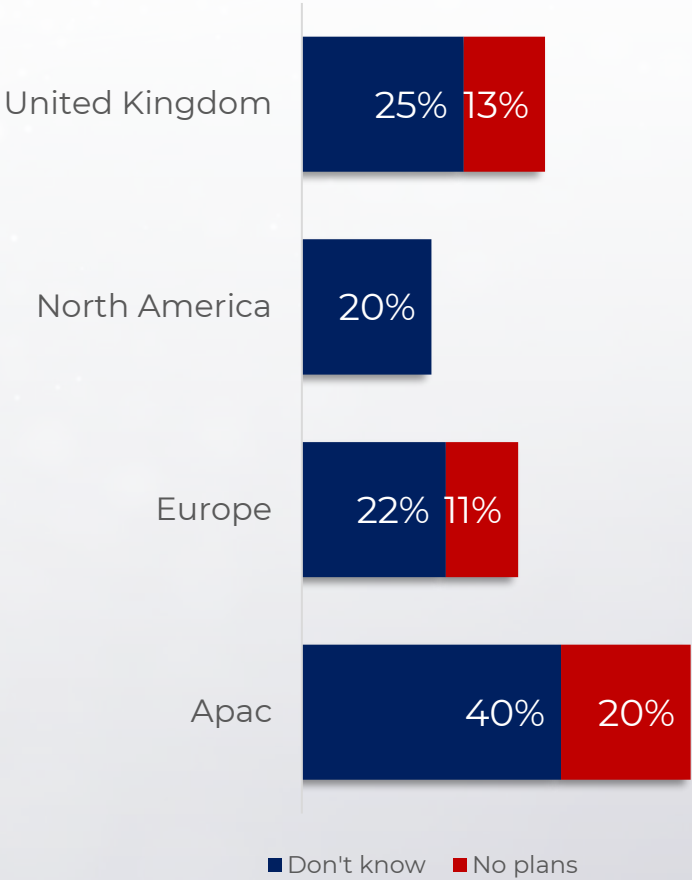
# 62% of UK firms are ready to commit to the Code of Conduct



Target dates for firms to commit to Code of Conduct



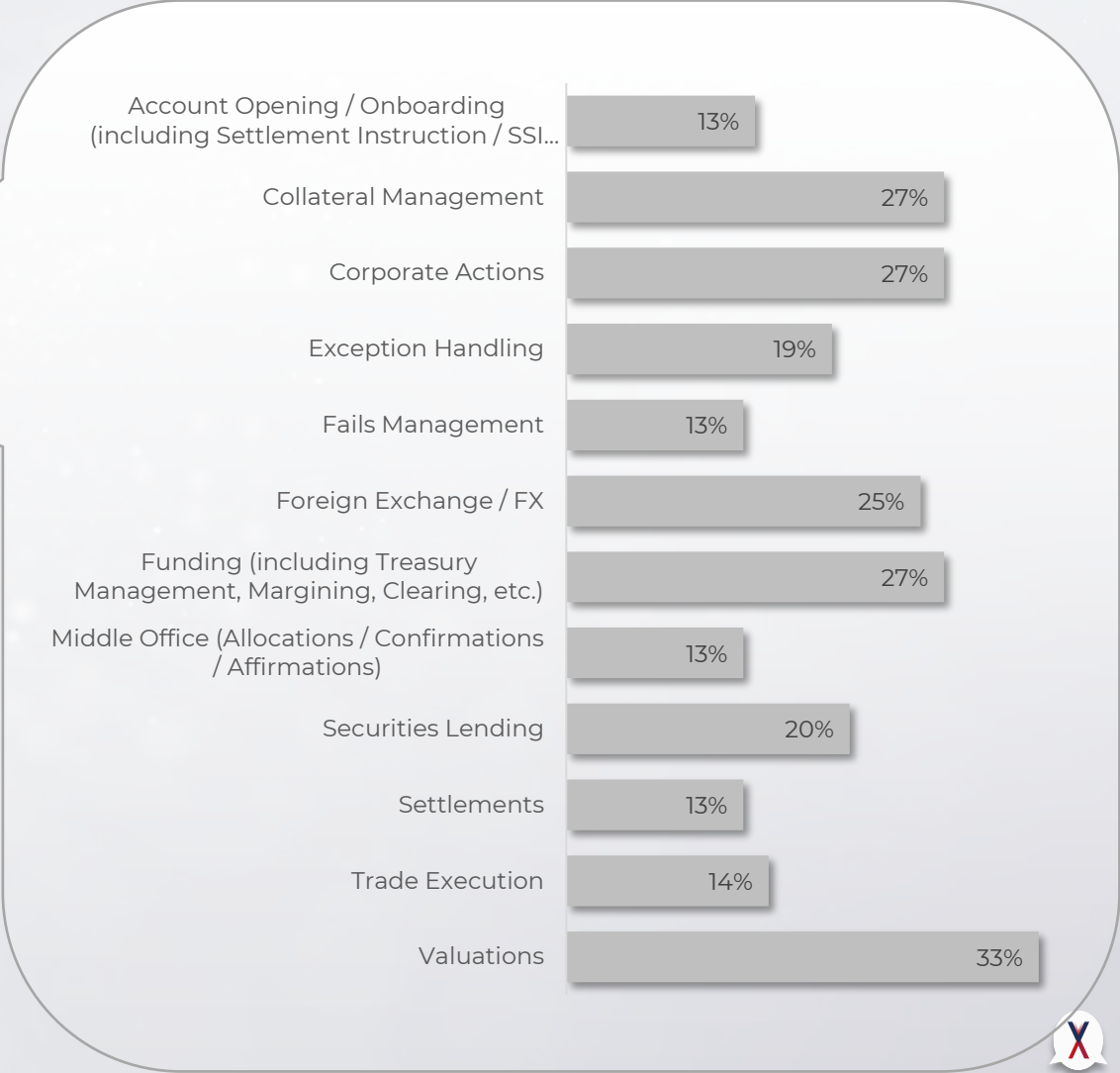
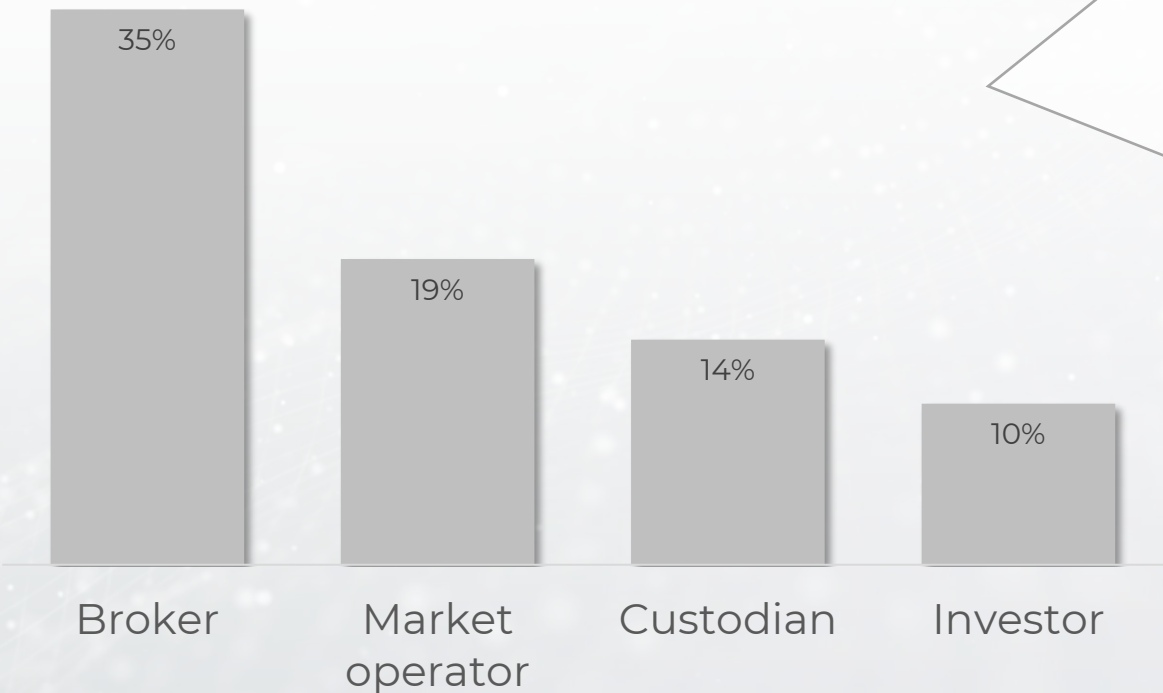
% of respondents with no plans to commit to the Code of Conduct



# Up to 35% of firms don't know what T+1 in the UK means – least of all in funding and valuations



**% of respondents who don't know what T+1 will mean for their trade processing**



**02**

**Key risk #1**  
**Do we understand what  
lies ahead?**

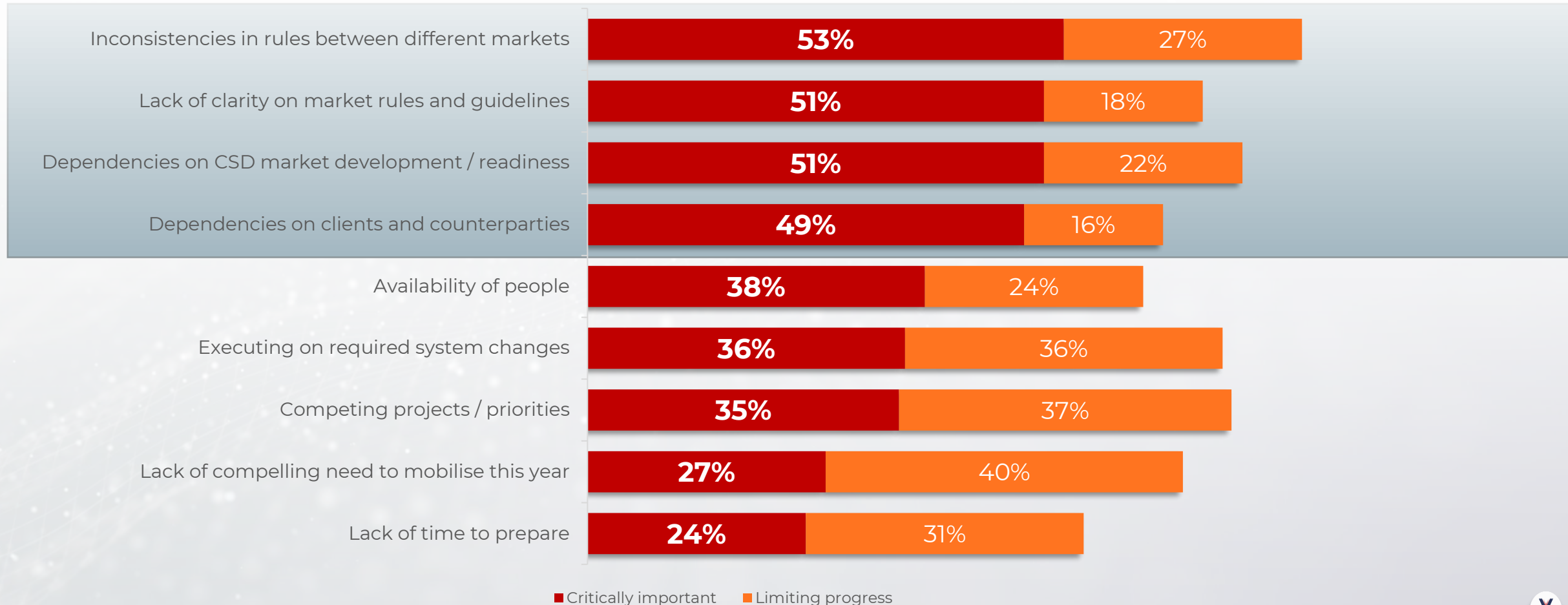




# More than 50% of respondents are still unclear about the rules of T+1 in the UK – and fear inconsistencies with Europe



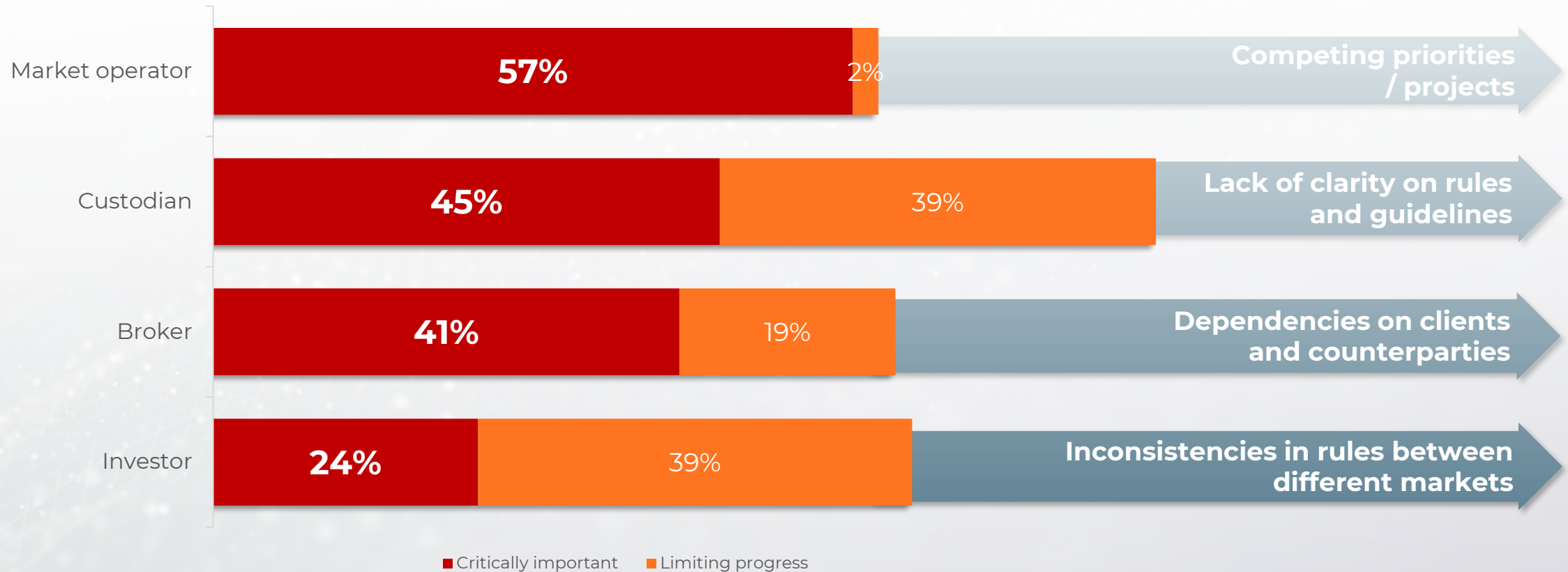
% of respondents struggling with each area in their preparations for T+1 in the UK



# Market operators and custodians are struggling most with UK T+1 today



% of respondents facing challenges in preparing for T+1 the UK  
(by segment and gravity of the challenge; and #1 challenge)



**03**

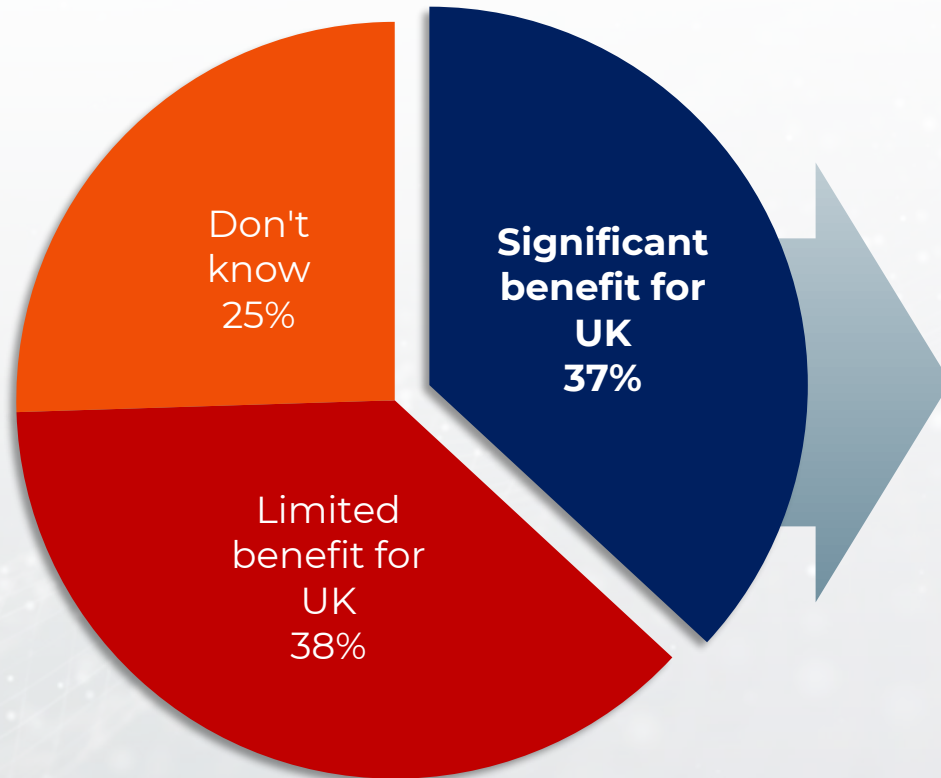
**Key risk #2**  
**Are we planning to be late?**



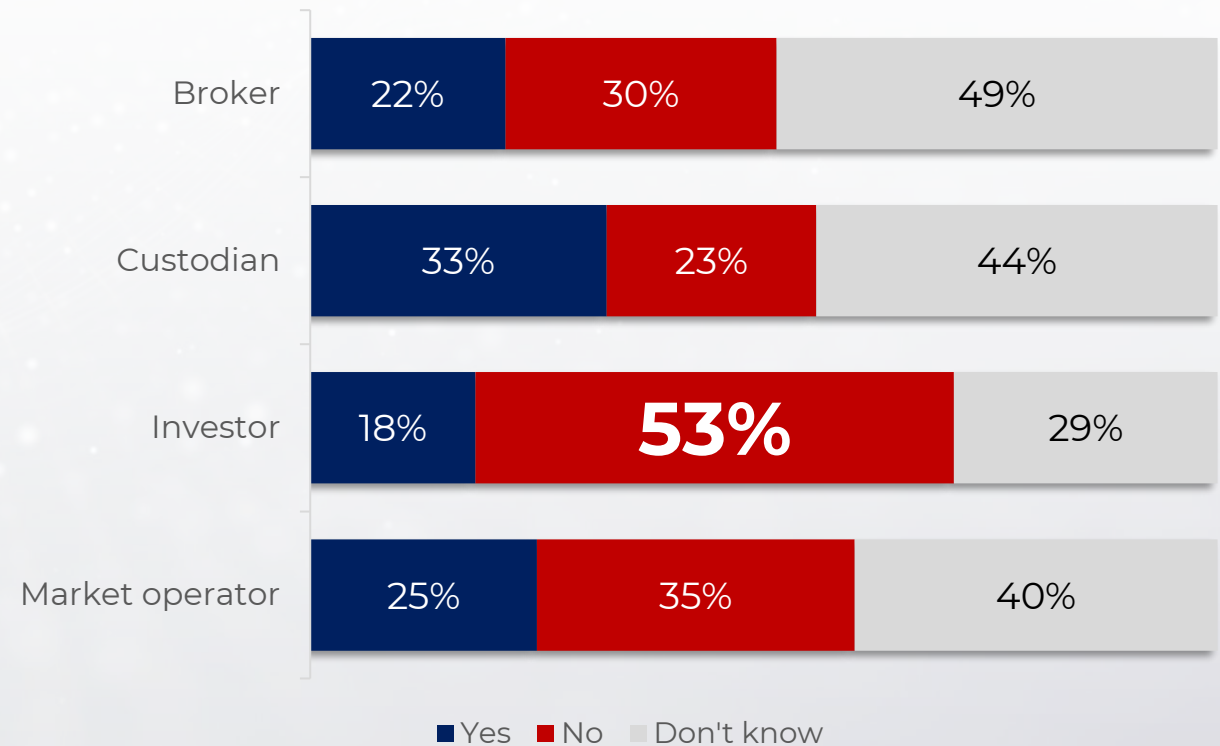
# Investments in North American T+1 have made us more ready (or more complacent) for the UK?



% of respondents believing that their investments for T+1 in the US have had a benefit on their UK readiness



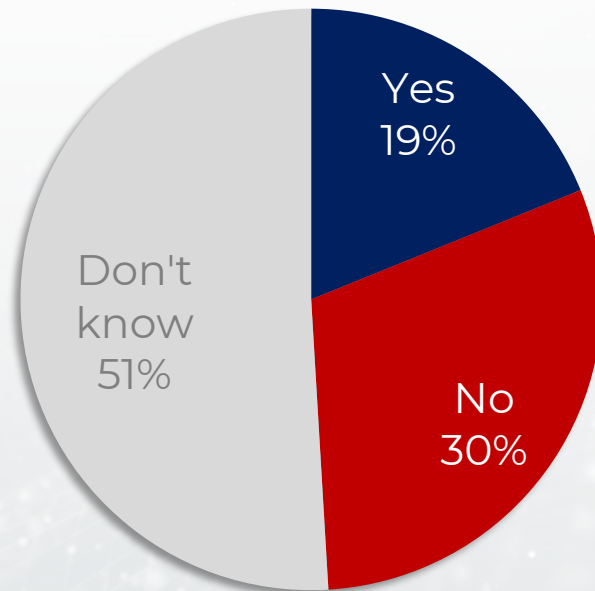
% of respondents planning to make investments to prepare for T+1 in the UK



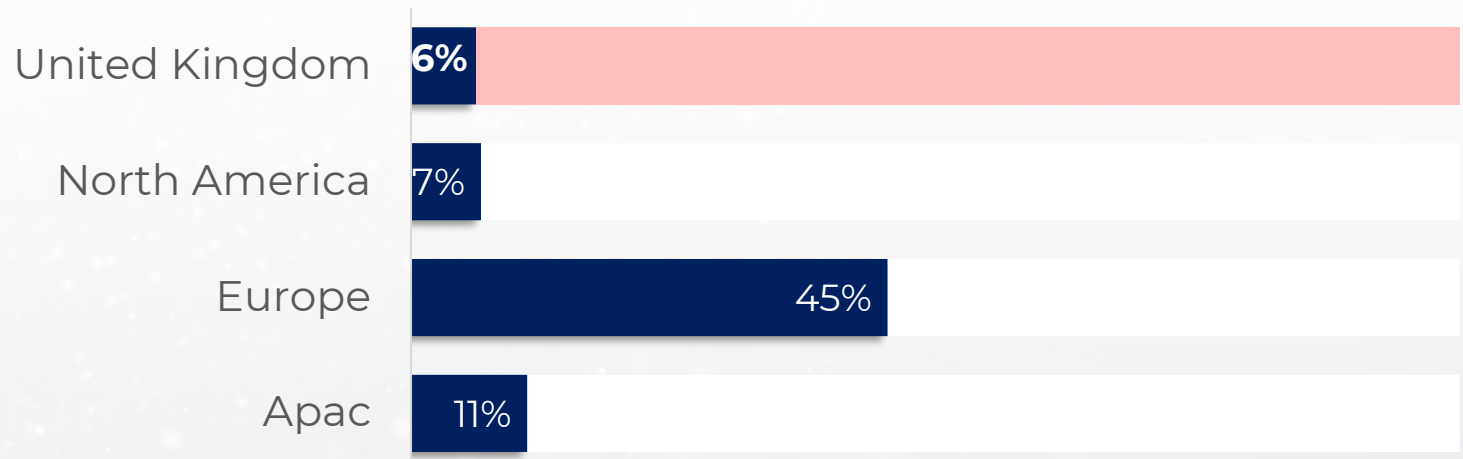
# Only 6% of UK fund managers expect T+1 to impact their fund dealing cycles for T+1



% of fund managers' plans to change their fund dealing cycle as a result of T+1 in the UK



% of fund managers who plan to change their fund dealing cycle as a result of the move to T+1 in the UK (by region)



“With the move to T+1 in North America, we aligned our funds to a T+1 settlement cycle which was a decision that **we went back and forth on for many months.**

Thankfully it has **been the correct decision and helped to drive our process** and preparation work. Not moving some funds to T+1 because other markets were still T+2 would have caused so much more work.

My advice to the UK folks, align your products settlement cycle to T+1 too.”



# T+1 investments for the US are paying dividends – but more work and funding is clearly needed



% of respondents whose investments in US T+1 will benefit them in the UK – and % of respondents with new investments planned per activity for T+1 in the UK



■ % making T+1 US investments that have a significant benefit for UK

■ Investments Planned

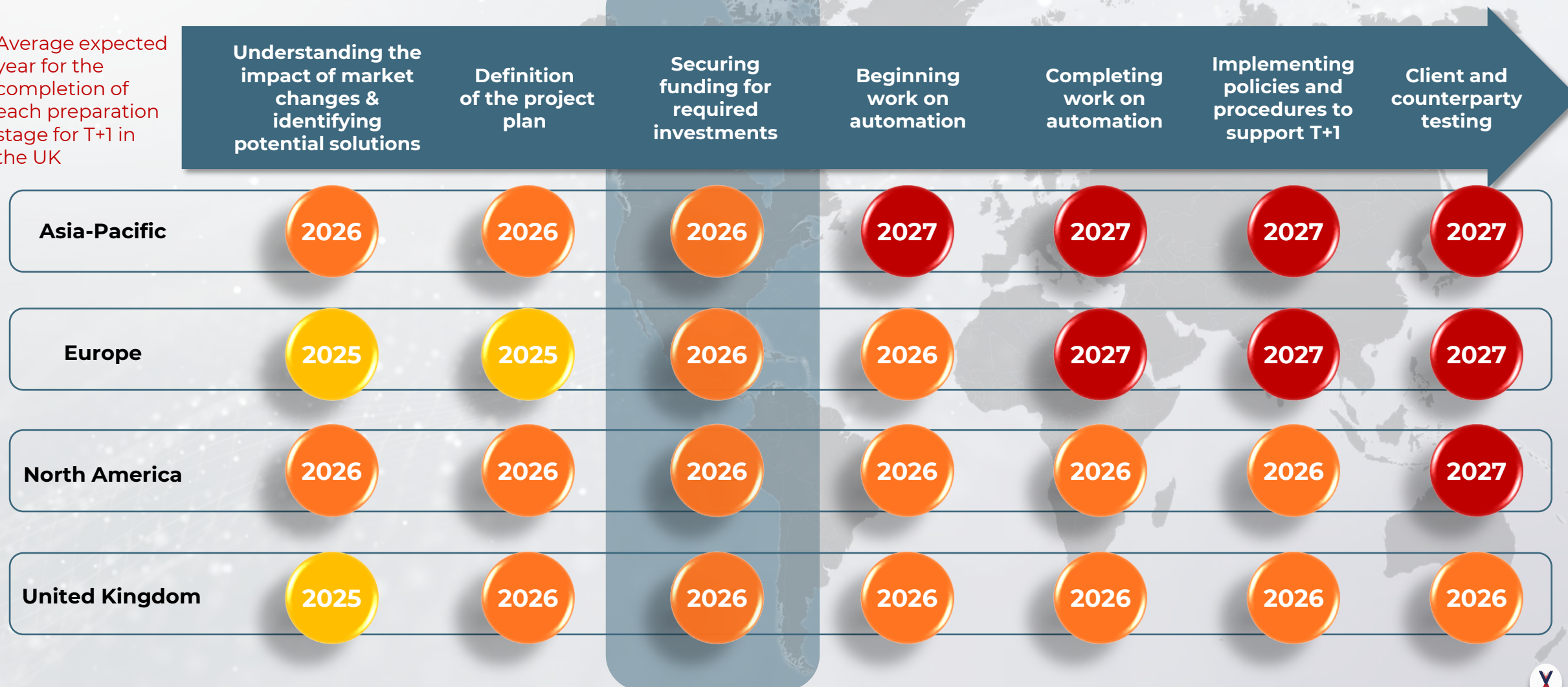
“We built our T+1 infrastructure to be reusable along with pre-allocation UK is not a huge cost for us”



# Work on T+1 in the UK looks set to begin in 2026



Average expected year for the completion of each preparation stage for T+1 in the UK





# Up to 26% of firms are already scheduled to miss the 2026 market deadline for allocations on T+0



Expected compliance dates versus market messaging guidelines (% of respondents by year)



# 04

**Key risk #3  
People & process – or  
automation?**

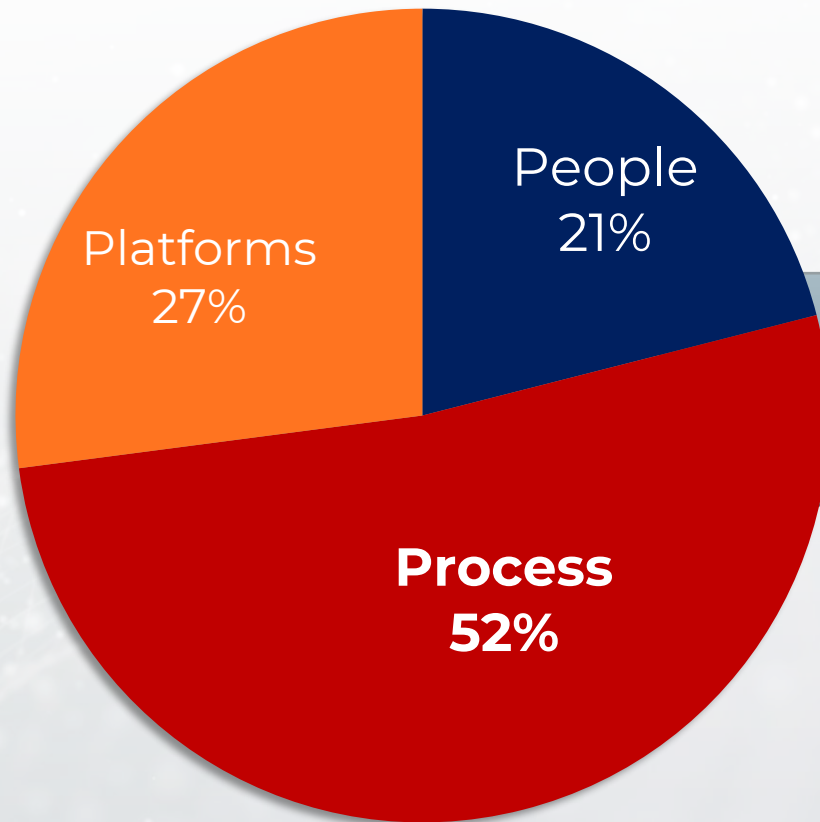




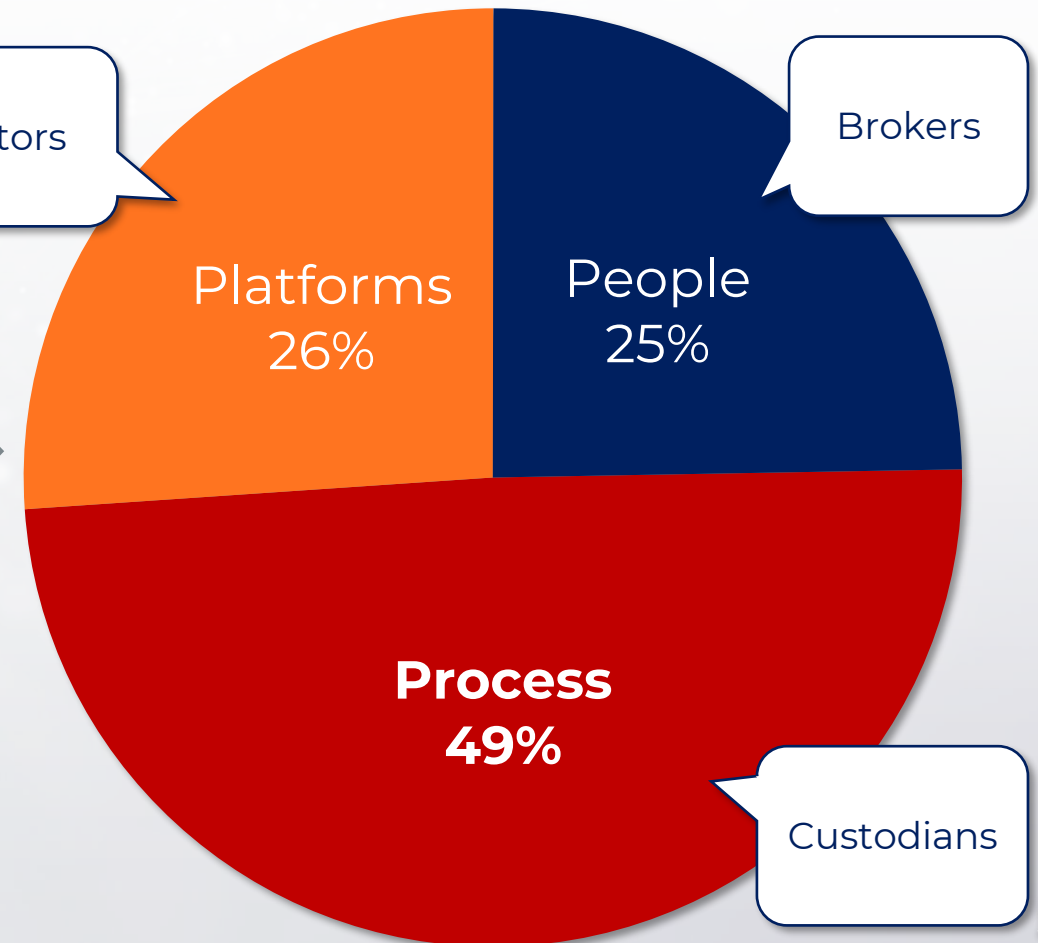
# 49% of project activity for T+1 in the UK is process transformation – with only a quarter on technology



Distribution of total project activity for North American T+1 (by type of activity)



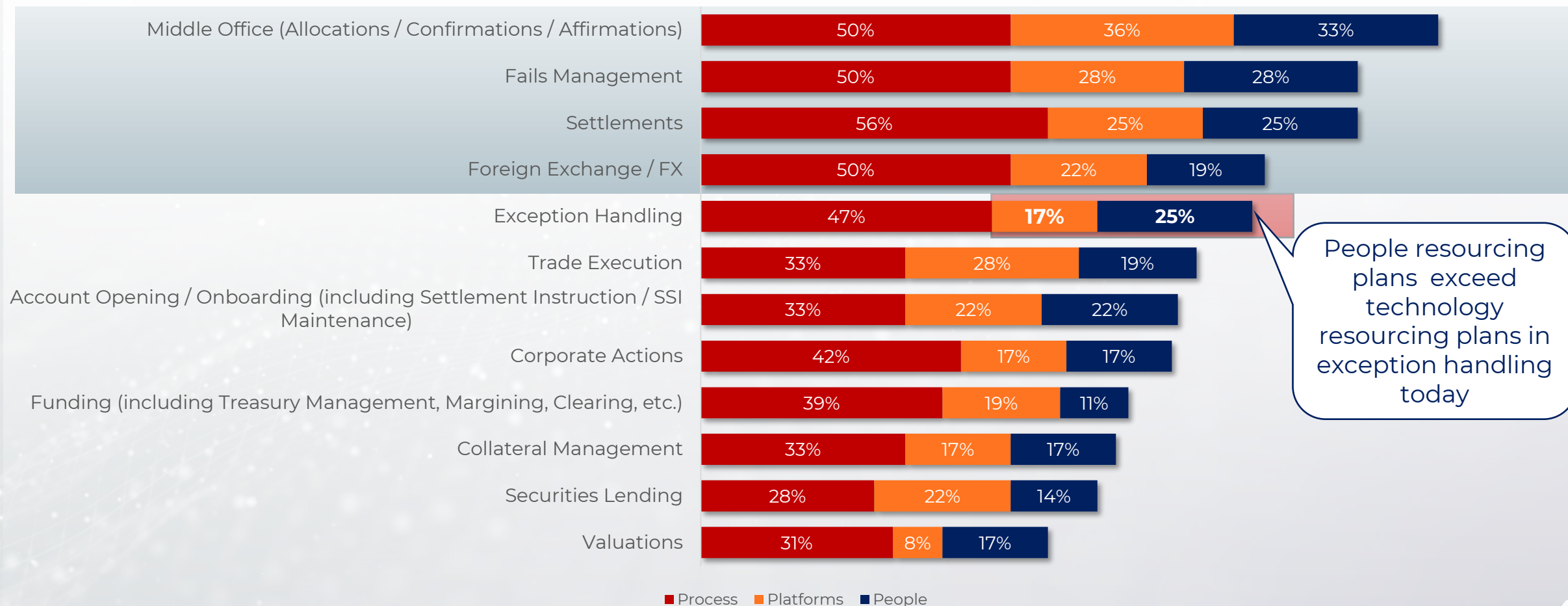
Distribution of planned project activity for UK T+1 (by type of activity)



# Over 50% of firms are focused on four key areas – with people playing a significant role



## Total expected project activity for T+1 (% of respondents with each type of activity planned, non-exclusive)



People resourcing plans exceed technology resourcing plans in exception handling today





**05**

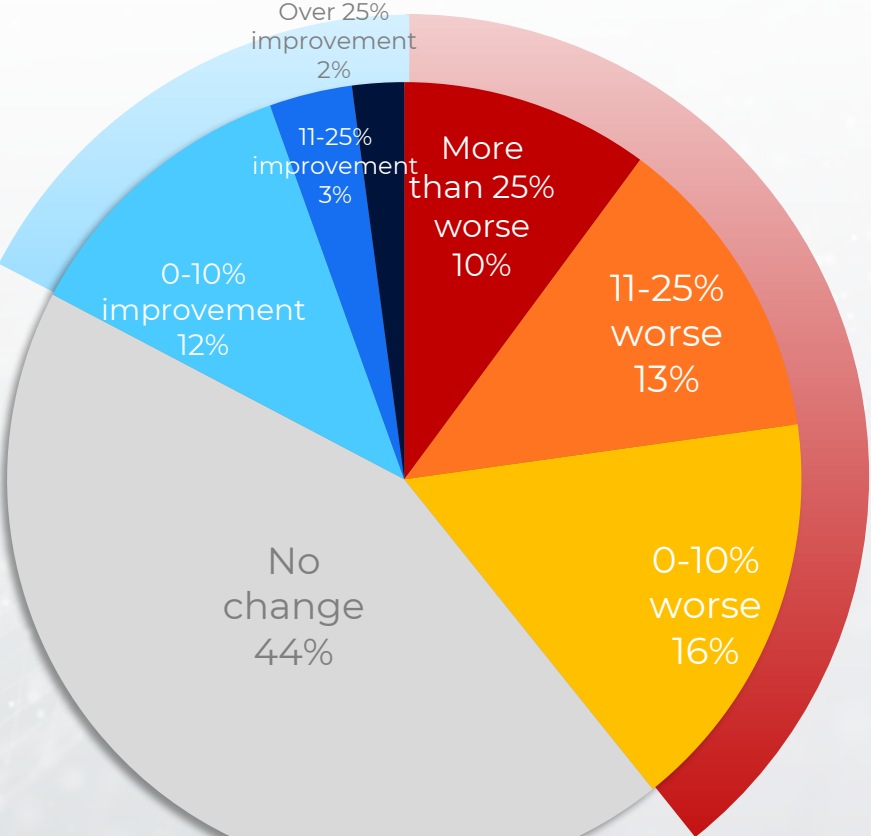
**Key risk #4**  
**Are we making the right case**  
**for T+1?**



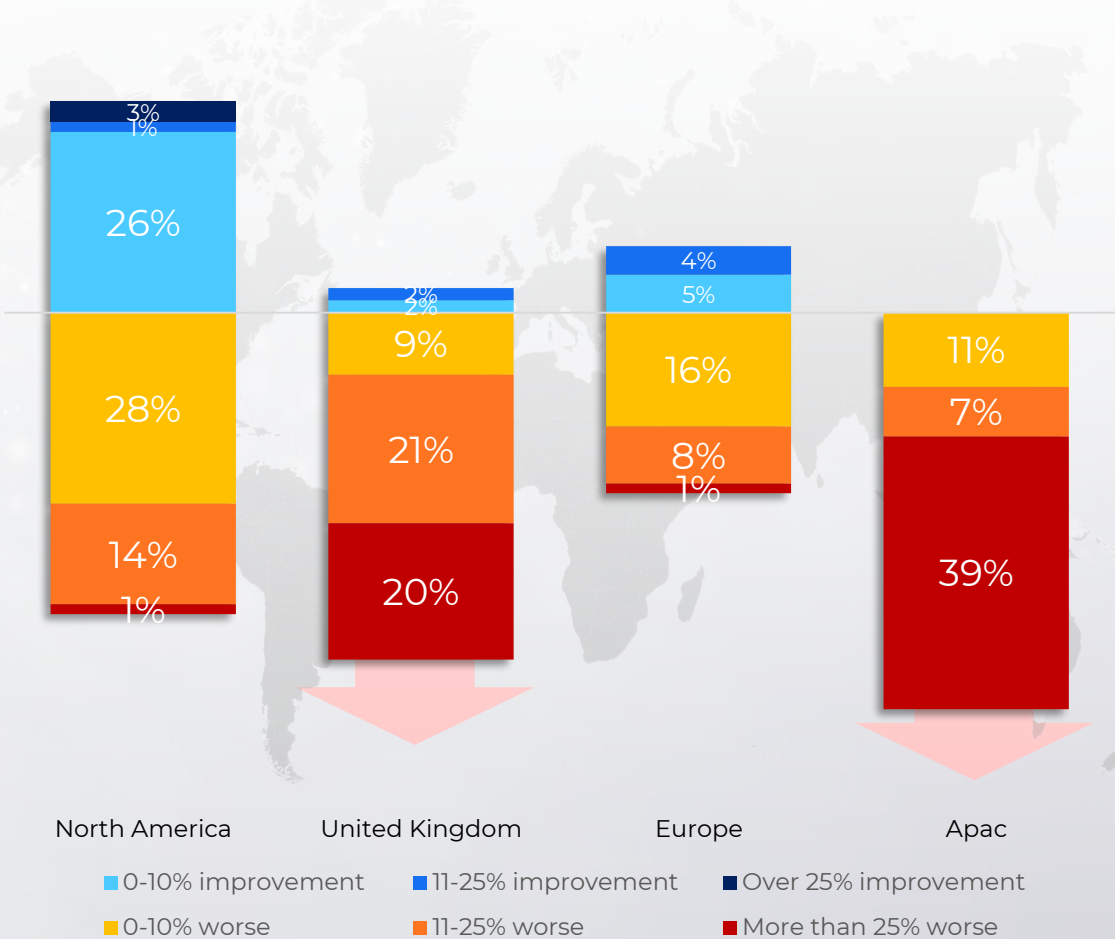
# 39% of respondents believe that T+1 will negatively impact their costs – especially in the UK



Expected impact of T+1 UK on operating costs  
(% of respondents citing each level of cost impact)



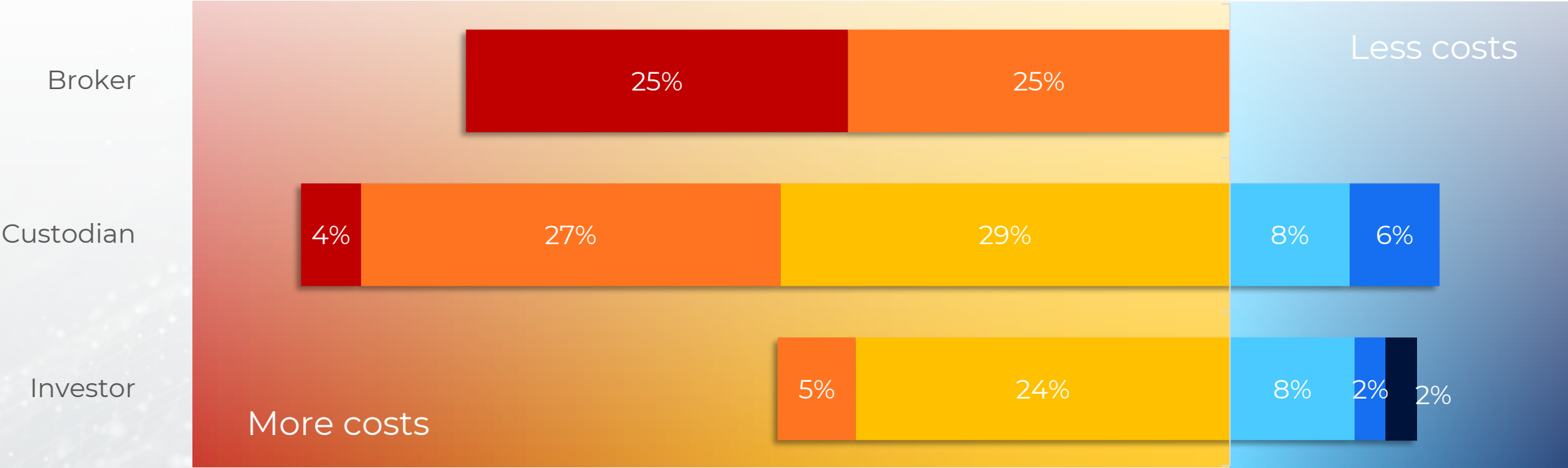
Expected impact of T+1 UK on operating costs  
(% of respondents citing each level of cost impact, excluding “No change”)



# Custodians and brokers are most negative on the cost impact of T+1 in the UK. What about the revenue increase?



Expected impact of T+1 UK on operating costs  
(% of respondents citing each level of cost impact, excluding “No change”)



■ 0-10% worse ■ 11-25% worse ■ More than 25% worse ■ 0-10% improvement ■ 11-25% improvement ■ Over 25% improvement

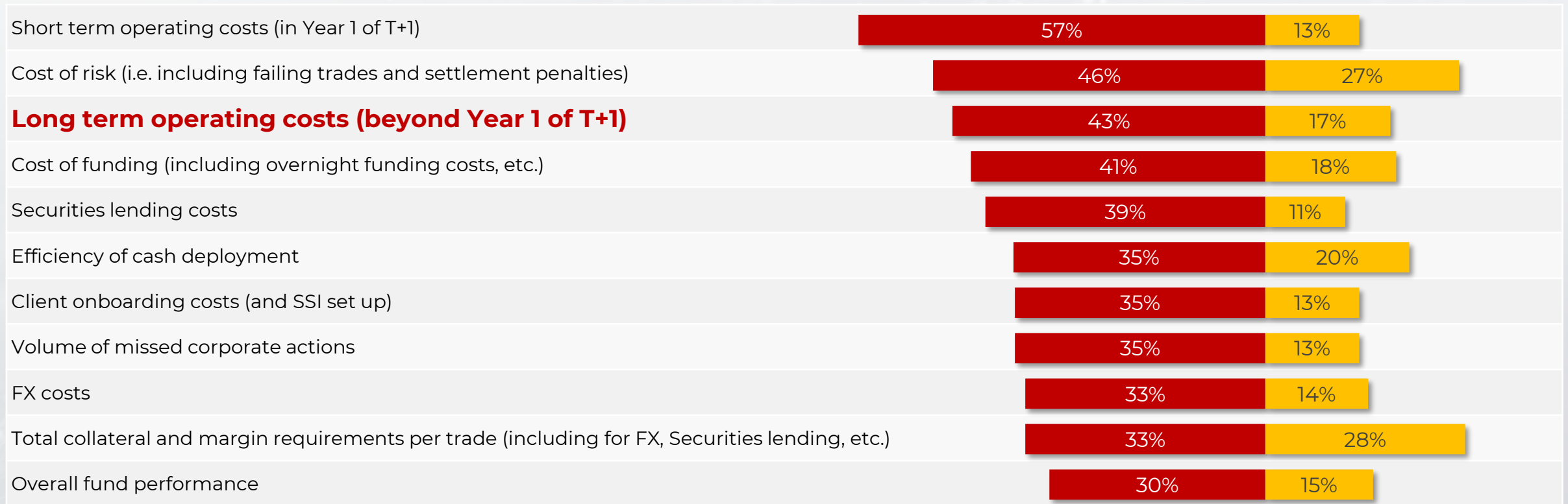




# T+1 in the UK is expected to have a lasting impact on funding and operating costs



Expectations of cost impact of T+1 in the UK across the trade cycle (% of respondents by expected cost impact, excluding Don't Know)



■ Worse ■ Better





# Thank you!

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