



Disputes Outlook 2026

Financial services

For what comes next
tlt.com



Contents

Spot the risks. Plan ahead. Resolve with confidence.

Disputes aren't always avoidable, but being prepared can make all the difference. By identifying potential risks early on, you can take control and shape an effective resolution strategy. Our team is here for what comes next.

Live issues

Commission disclosures: Navigating the Post-Johnson landscape	5
Group litigation	6

Emerging trends

Mandatory reimbursement and Quincecare: Emerging risks for 2026	7
Digital assets: Property rights, regulatory expansion and emerging disputes	8
Media in the Northern Ireland courts	9
Consultation on court fees 2026 to 2029 in Northern Ireland	9

Key contributors



Alanna Tregear
Partner

Bristol
+44 (0)7976 890 052
alanna.tregear@tlt.com



Clare Stothard
Partner

London
+44 (0)7816 370 156
clare.stothard@tlt.com



Sam McCollum
Partner

Bristol
+44 (0)7831 496 564
sam.mccollum@tlt.com



Richard Hayllar
Partner

Bristol
+44 (0)7825 136 001
richard.hayllar@tlt.com



Steve Walpole
Partner

Manchester
+44 (0)7971 979 895
steve.walpole@tlt.com



Amy Earlam
Knowledge Lawyer

Bristol
+44 (0)7823 534 510
amy.earlam@tlt.com

Key contributors



Katharine Kimber
Partner

Belfast
+44 (0)7585 889 316
katharine.kimber@tlt.com



Fergal Maguire
Partner

Belfast
+44 (0)7811 805 796
fergal.maguire@tlt.com



Louise Chopra
Partner

Glasgow
+44 (0)7880 172 939
louise.chopra@tlt.com

Live issues

Commission disclosures: Navigating the post-Johnson landscape

Last year's Disputes Outlook highlighted the evolving landscape of broker commission claims. Since then, the Supreme Court has handed down judgment in the landmark case of Hopcraft and another v Close Brothers Ltd; Johnson v FirstRand Bank Ltd (London Branch) (t/a MotoNovo Finance); Wrench v FirstRand Bank Ltd; (London Branch) (t/a MotoNovo Finance).

In a welcome judgment, the Court rejected the claimants' position that a fiduciary duty had arisen (recognising that motor dealers act at arm's length in pursuit of commercial objectives). However, in Mr Johnson's case, it found that there was an unfair relationship under section 140A of the Consumer Credit Act 1974. The Supreme Court recognised the highly fact-specific assessment required under s140A but considered (a) the commission level, (b) inadequate disclosures, and (c) the existence of a commercial tie

which was not consistent with the information provided to the claimant.

Following the judgment, on 7 October 2025 the Financial Conduct Authority (FCA) published consultation paper CP25/27: Motor finance consumer redress scheme. Its proposed redress scheme extends beyond discretionary commission arrangements to cover inadequate disclosure of high commissions and tied arrangements taken out between 6 April 2007 to 1 November 2024.

Concerns have been expressed about aspects of the FCA's proposals, including by the House of Lords Financial Services Regulation Committee. Firms should prepare robust systems for potential scheme implementation in 2026. Although the judgment focused on motor finance, firms may wish to revisit commission disclosure and intermediary arrangements in other markets.

Key takeaway

- The Supreme Court ruling and FCA proposals signal heightened scrutiny of commission practices. Firms should review disclosure processes and intermediary arrangements across markets to mitigate risk and prepare for potential redress schemes in 2026.

Group litigation

Group litigation in its various forms continues to have a significant impact on the financial services sector, with key developments anticipated in 2026. Activity levels are expected to remain high, buoyed by the Civil Justice Council's [June 2025 final report](#) on litigation funding, recommending reversal of the Supreme Court's 2023 [PACCAR](#) decision through legislation, and a "light-touch" approach to regulation of the market.

In England and Wales, the Court of Appeal will consider the propriety of using 'omnibus' Claim Forms to advance thousands of motor finance commission disclosure claims against lenders (including highly fact-specific unfair relationship claims under the Consumer Credit Act 1974) in [Angel and Others v Black Horse Limited](#) on 22 April 2026.

Decisions in respect of applications for Group Litigation Orders (**GLOs**) remain an area to watch. Courts have refused to make GLOs on discretionary grounds (even though jurisdictional thresholds may have been met), in favour of the Court's ordinary case management powers (a

'GLO Lite' approach). Following [Morris](#), the Civil Procedure Rules Committee [noted](#) that "developments in practice" in relation to GLOs "may necessitate a review" of the rules, with updates awaited.

The Courts are also refining their approach to 'same interest' representative actions, including the 'bifurcation' of such claims. While [Wirral Council's attempt](#) to use this mechanism in its securities claim under ss.90 - 90A / Schedule 10A of the Financial Services and Markets Act 2000 concluded [unsuccessfully](#), its inherently 'opt out' nature and potential for separating common issues from individual issues mean further testing of the availability of this route for other claims is likely.

In Scotland, two Inner House decisions in 2025 gave guidance on the respective tests for appointing a representative and granting permission to bring group proceedings in the nascent regime there, finding they were met in [both cases](#). The Scottish rules currently provide only for 'opt in' proceedings, however the Scottish Civil Justice Council is [consulting](#) on introducing an opt-out procedure as a priority for 2025/26. Developments

in the Scottish framework may inform developments in England and Wales and vice versa as they both continue to evolve.

Key takeaways

- Group litigation remains active and evolving. Key 2026 developments include Court of Appeal scrutiny of omnibus claims, potential GLO rule changes, and Scottish consultation on opt-out proceedings, underscoring the need for proactive monitoring and strategic planning.
- See also our Commercial Disputes and Competition Disputes reports.

Emerging trends

Mandatory reimbursement and Quincecare: Emerging risks for 2026

Authorised Push Payment (APP) fraud remains a priority for organisations processing payments, despite the mandatory reimbursement requirement being in force for over a year. Developments around the Quincecare Duty continue to shape risk.

The **Hamblin v Moorwand** decision in April 2025 clarified that receiving payment service providers (PSPs) can be put on inquiry where payment instructions appear improper. The Court found Moorwand breached its Quincecare duty by failing to satisfy itself that instructions were not fraudulent. The decision is under appeal. Ambiguities remain around the 'gross negligence' standard for customer caution and the distinction between fraud and civil disputes, creating scope for contested claims and Financial Ombudsman Service (FOS) referrals.

The FCA expects PSPs to regularly review fraud prevention effectiveness and maintain appropriate customer due diligence controls.

Firms providing lower reimbursement for 'on us' payments must explain Consumer Duty compliance to the FCA. Enforcement action from the Regulator may be on the horizon.

Cryptocurrency remains outside the mandatory reimbursement scheme, despite 20% of fraud victims using crypto platforms and losses exceeding £350 million in 2024. The Payment Systems Regulator's (PSR) independent one-year review will assess market exits, moral hazard, fraud migration, and whether the £85,000 cap requires revision. More APP fraud disputes involving cryptocurrency are likely in 2026.

As this area evolves, payment firms should carefully document fraud prevention policies and record decision-making rationale for the operation of the mandatory reimbursement scheme, in anticipation of defending challenges from victims of fraud.

Key takeaway

- APP fraud and Quincecare risks persist despite mandatory reimbursement. Firms should strengthen fraud controls, monitor regulatory developments, and prepare for disputes - particularly around crypto and evolving standards for negligence and reimbursement.

Digital assets: Property rights, regulatory expansion and emerging disputes

Building on our Disputes Outlook 2025 report, the [Property \(Digital Assets etc\) Act 2025](#) clarifies the legal status of digital assets as personal property. The Act introduces a third category of property under English law, recognising digital assets such as crypto-tokens. The Act applies to England and Wales and Northern Ireland.

Scotland introduced its own [Digital Assets \(Scotland\) Bill](#) on 30 September 2025 defining digital assets as incorporeal moveables in Scots law. Critically, it presumes ownership lies with the person holding exclusive control of a digital asset, with good faith purchaser protection ensuring valid transfers despite defects in title.

The statutory recognition creates legal certainty that digital assets can be owned, transferred and protected like traditional property, enabling enforcement against them. Owners of cryptoassets will be better equipped to act in cases of fraud or theft,

including freezing injunctions (England and Wales) or arrestment on the dependence (Scotland). However, disputes could arise where exclusive control and legal ownership diverge, often linked to private keys being held by a third-party custodian. Financial services firms providing custody services could face ownership challenges, particularly in insolvency scenarios.

From a regulatory perspective, the draft [Financial Services and Markets Act 2000 \(Regulated Activities and Miscellaneous Provisions\) \(Cryptoassets\) Order 2025](#), published in April 2025, proposes bringing cryptoasset activities under FCA and PRA regulation, introducing new regulated activities including operating trading platforms, arranging deals and issuing stablecoins. Extending the FOS remit to cryptoasset activities could assist in cases where the FOS finds in favour of consumers seeking redress from their account-holding bank which is at least one step removed from the cryptoasset transaction.

Firms should monitor legislative and regulatory developments and prepare for disputes involving cryptoassets.

Key takeaway

- Legal and regulatory frameworks for digital assets are evolving. Statutory recognition and extended regulation will create certainty but also new disputes (particularly around custody and ownership) and could encourage cryptoasset firms out of the jurisdiction to avoid regulation. Firms should track developments and strengthen governance.

Media in the Northern Ireland Courts

NI Justice Minister Long has announced that news outlets will be permitted to broadcast Judges' sentencing remarks.

Under the plans, court proceedings including the handing down of a judgment in the Court of Appeal, the submissions of legal representatives and exchanges between them may be broadcast from 2027.

Only broadcasters who are permitted in writing by the NI Department of Justice will be allowed to record certain proceedings.

Key takeaways

- This change aims to increase transparency and public confidence in the justice system in NI, aligning it with other UK jurisdictions (England and Wales and Scotland).
- Organisations should note that more information may enter the public domain, and, in some cases, a communications strategy may be required.

Consultation on court fees 2026 to 2029 in Northern Ireland

In 2025, the Northern Ireland Courts and Tribunals Service launched a public consultation on proposed changes to court fees, including annual increases.

The consultation closed on 1 August 2025. Any agreed changes are intended to take effect from 1 April 2026, with annual general increases applied in the following two years.

Key takeaways

- Organisations should monitor developments to understand the scale and timing of any increases.
- Consider issuing proceedings before any changes take effect and review case strategy where appropriate.

Key contacts

England & Wales



Jonathan Hoey
Partner, Head of Banking and
Financial Services litigation

Bristol
+44 (0)7810 636 936
jonathan.hoey@slt.com



Andrew Lyon
Partner, Head of
Financial Services

London
+44 (0)7919 574 130
andrew.lyon@slt.com



Richard Hayllar
Partner

Bristol
+44 (0)7825 136 001
richard.hayllar@slt.com



Alanna Tregear
Partner

Bristol
+44 (0)7976 890 052
alanna.tregear@slt.com



Deborah Sheldon
Partner

Bristol
+44 (0)7917 754 357
deborah.sheldon@slt.com



Heff Heathcote
Partner

Bristol
+44 (0)7827 993 562
heff.heathcote@slt.com



Neil Franklin
Partner

Bristol
+44 (0)7747 783 899
neil.franklin@slt.com



Sam McCollum
Partner

Bristol
+44 (0)7831 496 564
sam.mccollum@slt.com

Key contacts

England & Wales



Sian Davies

Client Services Director

Bristol

+44 (0)7977 162 907

sian.davies@slt.com



Sarah Vance

Client Services Director

Bristol

+44 (0)7917 108 156

sarah.vance@slt.com



Roger Potgieter

Partner

Birmingham

+44 (0)7525 731 155

roger.potgieter@slt.com



James Chadwick

Partner

Manchester

+44 (0)7920 072 460

james.chadwick@slt.com



Chantal Peters

Partner



Roisin Bell

Partner



Steve Walpole

Partner



Clare Stothard

Partner

Manchester

+44 (0)7970 496 857

chantal.peters@slt.com

Manchester

+44 (0)7827 986 743

roisin.bell@slt.com

Manchester

+44 (0)7971 979 895

steve.walpole@slt.com

London

+44 (0)7816 370 156

clare.stothard@slt.com

Key contacts

England & Wales



Nick Curling
Legal Director

London
+44 (0)7775 994 785
nick.curling@tlt.com



Amanda Hulme
Partner

London
+44 (0)7484 525 129
amanda.hulme@tlt.com



Andrzej Wieckowski
Partner

London
+44 (0)7484 515 371
andrzej.wieckowski@tlt.com



Ben Cooper
Partner

London
+44 (0)7816 205 506
ben.cooper@tlt.com



Ben Player
Partner

Bristol
+44 (0)7483 399 089
ben.player@tlt.com

Key contacts

Northern Ireland



Katharine Kimber
Partner, Head of
Northern Ireland

Belfast
+44 (0)7585 889 316
katharine.kimber@tlt.com



Fergal Maguire
Partner

Belfast
+44 (0)7811 805 796
fergal.maguire@tlt.com

Key contacts

Scotland



John Paul Sheridan
Partner, Head of Scotland



Louise Chopra
Partner

Glasgow
+44 (0)7909 934 843
johnpaul.sheridan@slt.com

Glasgow
+44 (0)7880 172 939
louise.chopra@slt.com



Louise Gould
Client Services Director

Glasgow
+44 (0)7788 367 176
louise.gould@slt.com



tlt.com

Belfast | Birmingham | Bristol | Edinburgh | Glasgow | London | Manchester | Piraeus

TLT LLP and TLT NI LLP (a separate practice in Northern Ireland) operate under the TLT brand and are together known as 'TLT'. Any reference in this communication or its attachments to 'TLT' is to be construed as a reference to the TLT entity based in the jurisdiction where the advice is being given. TLT LLP is a limited liability partnership registered in England & Wales number OC308658 whose registered office is at One Redcliff Street, Bristol, BS1 6TP. TLT LLP is authorised and regulated by the Solicitors Regulation Authority under ID 406297.

In Scotland TLT LLP is a multinational practice regulated by the Law Society of Scotland.

TLT (NI) LLP is a limited liability partnership registered in Northern Ireland under ref NC000856 whose registered office is at River House, 48-60 High Street, Belfast, BT1 2BE

TLT (NI) LLP is regulated by the Law Society of Northern Ireland under ref 9330.

TLT LLP is authorised and regulated by the Financial Conduct Authority under reference number FRN 780419. TLT (NI) LLP is authorised and regulated by the Financial Conduct Authority under reference number 807372. Details of our FCA permissions can be found on the Financial Services Register at <https://register.fca.org.uk>