

UK Financial Regulation (UKFR) 2023/24

Summary of main changes

The 2022/23 edition of the UKFR text has been updated for 2023/24 in the following ways.

Section reference (2023/24 edition)	Change made
1.1	Introduction about bartering removed. Information about the functions of money updated.
1.3	Information about the boundaries between different financial services before the 1980s and today removed.
1.3.1	The Bank of England's role as a regulator information box – information about the Bank of England being responsible for supervision and regulation of the UK banking sector removed. Information about the digital pound removed.
1.3.2	Demutualisation information box – examples of demutualised building societies removed.
1.3.3	Information about savings and dividends offered by credit unions updated.
2.2.1	Information about interest rates and the cost of living crisis added.
2.3	The Budget information box – information updated.
2.4	The impact of Brexit information box – information about the Retained EU Law (Revocation and Reform) Bill added. Impact of EU legislation on the financial services sector information box updated.
2.4.1	Information on the Future Regulatory Framework Review removed. Information on the Financial Services and Markets Bill condensed, updated and added to a new factfind.
2.5	Information on the tiers of regulation of the UK financial services industry updated – changed from a five-tier to four-tier process. Figure 2.5 – First level removed. Remaining levels updated.
3.3	Retirement annuities removed from 'income accessible to tax' section of table.
3.3.1	Information on personal savings allowance and dividend allowance updated.
3.3.3	Income bands and tax rates updated.
3.4.3	Information on self-assessment updated.

	Income tax liability – self-employed example updated.
3.4.4	Applying the starting-rate bank and PSA example updated.
4.1.3	Information on acquisition base cost updated. Information on CGT due on non-exempt gains on residential property added. Capital gains tax example updated.
4.2	Figure 4.2 – Spouse 2’s nil rate band updated.
4.2.1	Information and example on IHT and RNRB added. Calculations and text updated to reflect current RNRB.
5.2.1	Benefits remaining outside Universal credit updated.
5.2.4	Mentions of ‘contribution-based Jobseeker’s Allowance (JSA)’ changed to ‘new-style JSA’.
5.2.5	The benefits cap information box – Guardian’s Allowance removed from list of benefits subject to the cap.
5.4.1	Text updates to clarify the relationship between SSP and Class 1 NICs.
5.4.2	Information on Employment and Support Allowance (ESA) updated.
5.5.2	Pension Credit information box updated.
5.5.3	Information added to the Triple lock guarantee information box.
6.3.2	Information about where cash can be obtained updated.
6.3.3	Information on interest-bearing current accounts updated.
6.7.5	Sentence about tax taken at source removed.
6.9	Information on alternative finance added.
6.9.1	Section about P2P lending added.
6.9.2	Section about investment-based crowdfunding added, including link to FCA’s crowdfunding policy.
7.2.2	Over-the-counter (OTC) trading information box – link to more information about MiFID II removed.
7.3.1	In brief box – link to more information on tax legislation and rates removed.
7.3.2	Taxation of dividend income example updated.
8.2.1	Text updated to explain that the unit trust manager creates the creation price, not the trustee/depositary.

	Forward and historic pricing information box – first and last paragraphs removed (information about buying and selling shares directly and why historic pricing is no longer favoured).
8.2.3	Information about the trustee acting as the depositary removed.
8.2.4	Tax payable on dividend income from a unit trust example updated. Tax payable on interest from a fixed-income trust example updated.
8.3.1	Information about NAV and share price updated.
8.4.2	Information about fixed-income OEICs and tax liability added.
8.6.1	In brief box about top slicing removed. Information about top slicing condensed and added to main text.
8.10	Introduction about sustainable finance added. New table (Table 8.1) added, showing potential advantages and disadvantages of sustainable finance. Factfind with link to FCA's rules to reduce greenwashing added.
8.11	New introduction about cryptoassets added.
8.11.1	Information explaining how cryptoassets work and distributed ledger technology added.
8.11.2	Information about how cryptoassets are regulated added.
9.2	Information about Child Trust Funds updated. Section 9.2 moved to become 9.3.
9.3	Section 9.3 moved to become section 9.2.
10.2.1	Text amended to explain that AVCs operate as defined-contribution arrangements, not money-purchase arrangements.
10.2.2	Text amended to explain that individuals might contribute to an FSAVCs defined-contribution fund (not a money-purchase fund).
10.5	Figure 10.1 – centre circle changed from 'money purchase scheme' to 'defined-contribution scheme'
10.5.4	Mentions of 'money-purchase schemes' changed to 'defined-benefit schemes'.
10.7	New information box about pension dashboards added.
11.1.5	Pension term assurance information box removed.
12.1	Factfind about ABI guide to minimum standards for critical illness cover added.
12.2.3	Information about proportionate benefits updated.

13.1	Mortgage indemnity guarantees and higher lending charges information box added.
13.3.1	Information on minimum pension age updated.
13.4	Cashback information box added here (moved from section 13.5).
13.5	Current account and offset mortgages information box – information on complex offset mortgages removed. Cashback information box moved to section 13.4.
13.6	Information on CAT standard mortgages removed. Mortgage indemnity guarantees and higher lending charges information box moved to section 13.1.
13.7.2	Home income plans information box removed.
13.7.4	New section about retirement interest-only mortgages added.
13.10.2	Information about overdrafts updated.
14.2	Information about Financial Services Act 1986 and Financial Services and Markets Act 2000 removed.
14.3	Email addresses added to list of basic information advisers require.
15.4	Information about the cost of consolidation loans and arrangement fees added.
16.2	New section about sole traders added.
16.4	Information about partnerships added.
16.7	Responsibility for debts information box updated.
16.11	Information about EU Regulation on Insolvency Proceedings and UK Insolvency (Amendment) Rules 2002 removed.
17.2 and 17.3	Information about changes in regulation in the 1980s and since the 1980s removed.
17.3	Information about the FCA's Consumer Duty rules, including Principles 6, 7 and 12 removed from here but added to section 17.6.1.
17.5	Information about the Code of Practice for Approved Persons removed.
17.6	Information about the Principles for Business updated. Figure 17.5 – Principle 12 Consumer Duty added.
17.6.1	Information about the FCA's Consumer Duty rules, including Principles 6, 7 and 12 updated and added here (was previously in section 17.3).

17.6.5	New Consumer Duty information box removed.
18.1	Information box about the general prohibition under the Financial Services and Markets Act 2000 added. Information about and link to the FCA's Perimeter Guidance manual added to Regulated activities: legal basis information box.
18.2	Information about appointed representatives updated.
18.6.3	Information about the Financial Skills Partnership removed.
19.6	Information about the minimum TLAC requirement for G-Sibs updated.
19.8	Figure 19.4 – first box about GENPRU removed. Information about the FCA's Investment Firms Prudential Regime added in a new information box. Information about MIFIDPRU that was previously at the end of section 19.8 also added to this information box. Information about GENPRU removed.
20.3.1	Information about independent advice and independent advisers updated.
20.3.2	Information about restricted advisers added. Information about basic advice removed.
20.4	Information about the appropriateness test updated.
20.5	Advertising Standards Authority information box updated. Factfind about provisions of the Advertising Codes removed.
20.7	Information about the services and costs disclosure document, initial disclosure document and the combined initial disclosure document removed.
20.10.1	Information about PRIIPs KID added. Information about KIIDs, KIDs and UCITS KIIDs added. Factfind about PRIIP regulation added.
21.3.1	Information about self-certification and fast-track mortgage products removed.
21.4	Information about distance marketing disclosure rules updated. Information about ICOBS 6A added.
21.5	Information about the Banking: Conduct of Business Sourcebook (BCOBS) updated. Information about BCOBS 8 added.
21.8.2	Factfind about core investment advice added.
22.1	Information about the Consumer Credit Act 1974, including Figure 22.1,

	removed. Information about the Consumer Credit Act 2006 added.
22.1.1	Information about the main provisions of the Consumer Credit Act 2006 and those retained from the 1974 Act added.
22.2.2	Information about CONC 5B, CONC 5C and CONC 5D added.
24.1.3	Information about UK GDPR updated.
24.1.4	Criminal offences under the UK GDPR information box updated.
24.4.2	Information about the Investment Services Directive removed.
24.4.5	Information about the Insurance Distribution Directive removed. Information about the Directive on Insurance Mediation updated.
25.1.3	Unfair contract terms and the FCA information box updated.
25.2.1	Information about the Claims Management Regulator removed.
25.3.1	Information about micro-enterprises as an eligible complainant added.
25.4	Financial Ombudsman Service (FOS) information box updated.
25.4.2	Table 25.1 FOS compensation limits removed. Factfind about FOS compensation limits added.
25.5	Information about The Pensions Advisory Service removed.