

Milestone for UK financial services as Bill receives Royal Assent

News story

The UK has taken an important first step in shaping its own financial services regulation outside the EU as the Financial Services Bill received Royal Assent today (29 April 2021).



- the Financial Services Bill has received Royal Assent and is now law
- represents major milestone in shaping a regulatory framework for UK financial services outside of the EU
- enhances competitiveness of the sector and ensures it continues to deliver for UK consumers and businesses

The Bill – which is now an Act – will ensure the UK remains an open and dynamic financial centre, with the highest regulatory standards, and protect people across the UK as they use financial services.

It represents a further step in delivering the Government's vision for a more open, technologically advanced and greener industry that serves the communities and people of this country.

John Glen, Economic Secretary to the Treasury, said:

For the first time in decades, the UK has full control of its own financial services regulation. This Act will protect people who rely on financial services day-to-day and boost the competitiveness of our dynamic global financial centre. It marks a major milestone in our plans to develop a regulatory regime that works for the UK and helps us seize new opportunities in the global economy.

Measures in the Act will:

- enhance the UK's world-leading prudential standards and promote

financial stability by enabling the implementation of the remaining Basel III standards and a new prudential regime for investment firms, and giving the Financial Conduct Authority the powers it needs to oversee an orderly transition away from the LIBOR benchmark

- promote openness between the UK and international markets by simplifying the process to market overseas investment funds in the UK and delivering a Ministerial commitment to provide long-term access between the UK and Gibraltar for financial services firms
- maintain an effective financial services regulatory framework and sound capital markets with a number of smaller measures, including measures to improve the functioning of the Packaged Retail and Insurance-based Investment Products Regulation and increase penalties for market abuse
- protect consumers who use a range of financial services, by bringing interest-free buy-now-pay-later products into regulation, and improving access to cash by making it easier for retailers of all sizes to offer cashback without a purchase

Notes to editors

- the Financial Services Act can be read in full [here](#)

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