

*These notes refer to the Financial Services Act 2010
(c.28) which received Royal Assent on 8 April 2010*

FINANCIAL SERVICES ACT 2010

EXPLANATORY NOTES

FINANCIAL EFFECTS OF THE ACT

246. The financial effects of this Act are minimal, and largely limited to the creation of the CFEB and Money Guidance. On indicative budget forecasts, the costs of the CFEB, including delivery of Money Guidance and projects which form part of the National Strategy for Financial Capability, could rise from £37 million in 2010-11 to £56 million in 2014-15. It is expected that the costs of the CFEB to decline slowly thereafter, once the Money Guidance service is at 'steady state'. The financial services industry, through a levy on FSA-regulated firms and OFT-licensed consumer credit firms, will provide the principal funding for the CFEB's activity. However, it is expected that the Government will pay up to half of the costs of the Money Guidance component of the CFEB's costs (up to £20 million by 2014-15) through dormant accounts funds and public funds.