

Equity release

ER1: 2025–26 edition

Web update 2: 29 January 2026

Please note the following update to your copy of the 2025–26 edition of the **ER1** study text:

On 1 December 2025, the Financial Services Compensation Scheme (FSCS) deposit protection limit increased from £85,000 to £120,000. The limit applicable to certain temporary high balance claims also increased on 1 December 2025 from £1 million to £1.4m.

Therefore, the following content should be updated as noted in **bold**.

Chapter 10, section C4, page 10/10

The text in this section should read:

The FSCS replaced the former voluntary scheme operated by the banks and the statutory scheme introduced under the Building Societies Act 1986, as amended.

The deposit compensation limit (**from 1 December 2025**) is **£120,000** (**£240,000** for joint accounts).

In the case of multiple accounts in banks that are part of a larger group, the compensation limit applies as follows:

- If each of the banks is separately authorised by the PRA, the FSCS would pay up to **£120,000** per person, per authorised bank or building society.
- If each of the banks is covered by a single authorisation, the FSCS would pay up to **£120,000** once, i.e. for the total of all the accounts held with different brands under the authorisation.

For credit unions, the maximum level of protection for deposits is **£120,000**.

There is a temporary high balance limit of **£1,400,000** for up to six months – for example to allow funds from the sale of a property to be held securely in the short term.

Notes

- This change will be examined from 27 February 2026.
- This update will be incorporated into the digital copies (printable PDF and ebook) of the study text, available on RevisionMate.