

FCA regulated fees and levies 2022/23: with feedback on CP22/07 and 'made rules'

Policy Statement

PS22/7

June 2022

This relates to

Consultation Paper [CP22/07](#) published in April 2022.

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1 Summary

Introduction

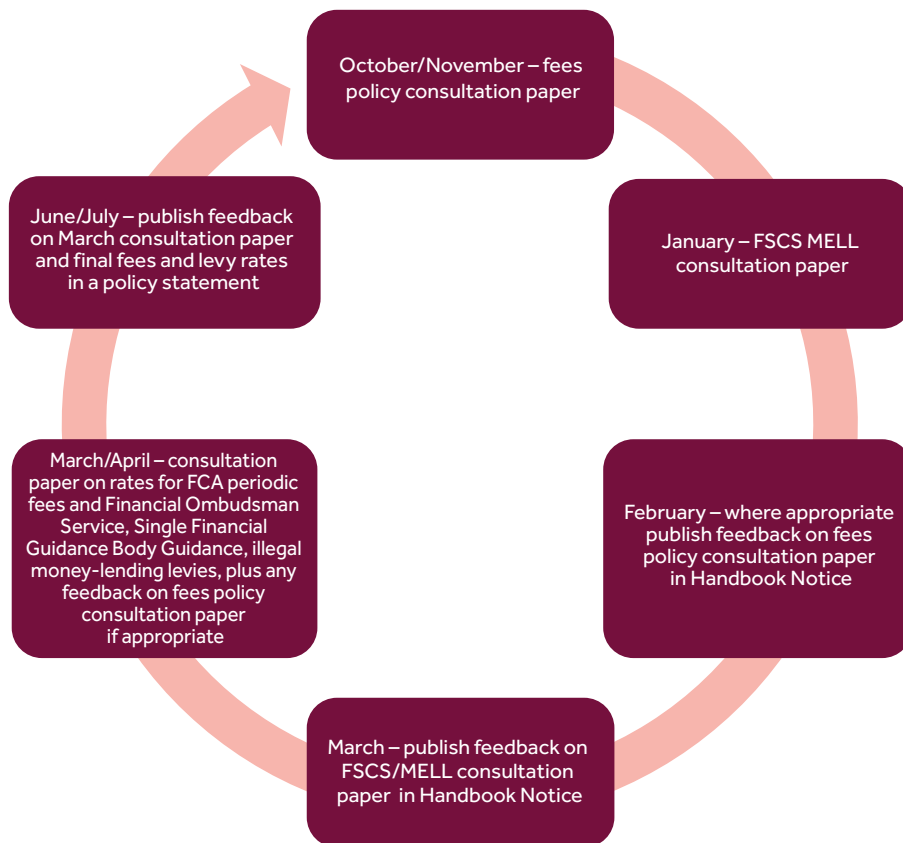
- 1.1** We are publishing the 2022/23 periodic regulatory fees and levies for the:
- Financial Conduct Authority (FCA)
 - Financial Ombudsman Service
 - Money and Pensions Service (referred to in our FEES manual as the Single Financial Guidance Body SFGB)
 - Devolved authorities
 - The Treasury's expenses in funding the teams that tackle illegal money lending
- 1.2** We are also publishing our feedback on the responses to the consultation on the draft fees and levies rules in [CP22/07](#) 'FCA Regulated fees and levies: Rates proposals 2022/23', published on 7 April 2022. The consultation period closed on 12 May 2022.

Who this applies to

- 1.3** This Policy Statement (PS) applies to all FCA fee-payers and to any businesses considering applying for FCA authorisation or registration. Table 1.2 at the end of this chapter will help identify which chapters relate to them.
- 1.4** It contains no material directly relevant to retail financial services consumers or consumer groups, although our fees are indirectly met by consumers of financial services.

The wider context

- 1.5** Our annual fees consultation follows the following cycle:
- October or November – we consult on any changes to our policy on how we raise fees and levies. We give our feedback on the consultation responses in the following March Handbook Notice.
 - January – we consult on the Financial Services Compensation Scheme (FSCS) management expenses levy limit (MELL), a joint consultation with the Prudential Regulation Authority (PRA). We give our feedback on the consultation responses in the March Handbook Notice.
 - March or April – we consult on FCA periodic fees rates for the next financial year (1 April to 31 March) and any proposed changes to application fees or other fees. We also consult on the Financial Ombudsman Service general levy, the Single Financial Guidance Body levies and illegal money-lending levies for the next financial year.
 - June to July – we publish feedback in a policy statement on responses received to the March or April CP, along with final fees and levy rates.



Annual funding requirement (AFR)

- 1.6** Our fees enable us to recover the costs of delivering our priorities and achieving our objectives, as set out in the annual Business Plan.
- 1.7** As explained in our [Business Plan for 2022/23](#) and [CP22/07](#), our total annual funding requirement (AFR) for 2022/23 was £640.0m when we consulted, an increase of £26.3m (4.3%) over 2021/22.
- 1.8** Table 1.1 summarises the components of the AFR. It was made up of a baseline budget for ongoing regulatory activities (ORA). This remained flat in real terms, increasing from £575.6m to £611.3m in line with inflation of 6.2% at the end of February 2022. This was rebased by £6.1m to £617.4m to take account of the increase in employers' National Insurance contributions and new ORA responsibilities.
- 1.9** Since consulting, we have made some changes which have had the effect of reducing the AFR from £640.0m to £630.9m, an increase of £17.2m (2.8%) over 2021/22 and of reducing the fees payable slightly, from £591.0m when we consulted to £581.5m:
- Taking into account feedback from smaller firms in particular, we are phasing the increase in minimum fees over 4 years instead of 3, reducing the overall AFR by £9.1m (see our response to feedback after paragraph 2.19).
 - Uplifting the charges for Appointed Representatives (ARs) in line with inflation as described in paragraph 2.20 has reduced the fee per AR from £287 to £266 and per introducer AR (IAR) from £86 to £80 and this has reduced the AFR for fee-block A.22 by £0.1m.

- We are able to reduce the total amount of fees payable by retaining sufficient revenues from financial penalties to cover our 2021/22 enforcement costs. We apply these as a rebate against the following year's fees and the balance paid to the Treasury. When we published CP22/07, we estimated the revenue from financial penalties at £49.1m. We are now able to confirm it at £49.4m. Chapter 5 sets out details of the financial penalty scheme.

Table 1.1: Comparison of AFR for 2022/23 with AFR for 2021/22

	Proposed 2022/23 £m	Actual 2021/22 £m	Movement	
			£m	%
ORA baseline budget (1)	611.3	575.6	35.7	6.2%
NI Rate Increase	3.1	-	3.1	-
ORA new responsibilities budget (2)	3.0	-	3.0	-
Rebated ORA budget	617.4	575.6	41.8	7.3%
Minimum Fee Adjustments(3)	(9.1)	0.0	(9.1)	-
Adjustment for appointed representatives (3)	(0.1)	0.0	(0.1)	-
Scope change (4)	10.4	8.3	2.1	25.3%
– <i>Cryptoasset businesses</i>	8.0	-	8.0	-
– <i>Financial promotions</i>	2.4	-	2.4	-
– <i>SM&CR</i>	0.0	0.0	0.0	-
– <i>CMC</i>	0.0	0.0	0.0	-
Other initiatives:	12.3	29.8	(17.5)	(58.7%)
– <i>EU withdrawal</i>	0.0	10.0	(10.0)	(100.0%)
– <i>Business Interruption Insurance</i>	0.0	7.5	(7.5)	(100.0%)
– <i>Transformation programme</i>	10.0	10.0	0.0	0.0%
– <i>Consumer harm campaign</i>	2.3	2.3	0.0	0.0%
Total AFR	630.9	613.7	17.2	2.8%
Financial penalty rebate	49.4	50.5	(1.1)	(2.2%)
Fees payable	581.5	563.2	18.3	3.3%

(1) ORA baseline budget for 2021/22 included appointed representatives fee from principal firms (£7.2m), revised consumer credit minimum fees (£5.0m), revised flat fee under Money Laundering Regulations (£0.5m);

(2) ORA new responsibilities 2021/22: credit rating agencies (£1.2m), trade/securitisation repositories (£0.5m), claims management companies (£1.7m); ORA new responsibilities in 2021/22 were £3.4m and have been included in the ORA baseline budget.

(3) Reductions in AFR following consultation (see paragraph 2.19): Modification to structure of minimum fees in fee-blocks A and CC (£9.1m), uplifting charge for appointed representatives in line with inflation (£0.1m).

(4) Scope change 2021/22: Senior managers and certification regime (£4.4m), EU benchmarks (£1.9m), credit rating agencies (£1.1m), trade/securitisation repositories (£0.9m).

What we are changing

1.10

Following our consultation through CP22/07, we are setting the fee and levy rates for 2022/23, replacing the charges for 2021/22, to recover our costs. We received 32 responses to CP22/07. We appreciate the time and effort that was put into reviewing and responding to our consultation. Annex 1 has the full list of non-confidential respondents.

- 1.11** Chapter 2 sets out the final position on FCA periodic fees for authorised firms, reviews the feedback we received and presents our responses.
- 1.12** Chapter 3 summarises the final position on FCA periodic fees for other bodies, reviews the feedback we received and presents our response.
- 1.13** Chapter 4 reviews the feedback we received and presents our responses on our proposals for application fees for credit rating agencies (CRAs), trade repositories (TRs), securitisation repositories (SRs) and third country firms seeking certification as a CRA or recognition as a TR.
- 1.14** Chapter 5 presents the final allocation to fee-blocks of the revenue from the financial penalties we have imposed on firms.
- 1.15** Chapter 6 reviews the feedback we received on the allocation of the Financial Ombudsman Service (the Ombudsman Service) general levy between industry blocks and presents our responses.
- 1.16** Chapter 7 reviews the feedback we received on our proposed levies for the Money and Pension Service (MaPS) and presents our responses.
- 1.17** Chapter 8 reviews the feedback and sets out our responses on our proposals for funding debt advice delivered by the Devolved Authorities in Scotland, Wales and Northern Ireland.
- 1.18** Chapter 9 reviews the feedback and presents our responses on recovering the costs of the illegal money-lending (IML) levy rates from consumer credit firms.

Compatibility statement

- 1.19** The rules we have now made are not substantially different from those proposed in Appendix 1 of [CP22/07](#).
- 1.20** Annex 2 of [CP22/07](#) included a statement that we did not expect the proposals that we consulted on to have a significantly different impact on mutual societies when compared to other authorised persons. This assessment has not changed.

Equality and diversity considerations

1.21 We have considered the equality and diversity issues from our proposals. Overall, we do not consider that the proposals negatively affect any of the groups with protected characteristics under the Equality Act 2010, and no issues were raised during consultation.

Table 1.2: Fee-payers likely to be affected by each chapter of this PS

Issue	Fee-payers likely to be affected	Chapter
Periodic fee rates	Authorised firms in the 'A,' 'CC' (consumer credit) and 'CMC' (claims management) fee-blocks	2
	All other fee-payers – fee-blocks 'B' to 'J'	3
Application fees – new structure	Any firm considering applying to the FCA for authorisation or registration, or to vary its permission	4
Integration of certain applications into new structure	Firms considering application to the FCA as credit rating agencies (CRAs), trade repositories (TRs), securitisation repositories (SRs), third country firms seeking certification as a CRA or recognition as a TR	
Applying financial penalties	Fee-payers listed in Table 6.1	5
Financial Ombudsman Service: general levy rates	Firms subject to the Financial Ombudsman service general levy	6
Money and Pensions Service levies:		
Money guidance levy	Authorised firms, payment institutions, electronic money issuers, all consumer credit firms (fee-blocks CC.1 and CC.2)	7
Debt advice levy	Firms in fee-blocks A.2 (home finance providers and administrators) and CC.3 (consumer credit lending)	
Pensions guidance levy	Firms in fee-blocks A.4 (insurers – life), A.7 (portfolio managers), A.9 (managers and depositaries of investment funds and operators of collective investment or pension schemes)	
Devolved authorities debt advice levy	Firms in fee-blocks A.2 (home finance providers and administrators) and CC.3 (consumer credit lending)	8
Illegal money lending levy	All consumer credit firms (fee-blocks CC.1 and CC.2)	10

2 FCA periodic fees for authorised firms

(Final rules in Appendix 1 - FEES 4 Annex 2AR FEES 4A Annex 1R)

2.1 In this chapter we:

- Respond to feedback on Chapter 3 of the Consultation Paper (CP) (CP22/07), in which we consulted on draft fee rates for authorised firms – the 'A', 'CC' (consumer credit) and 'CMC' (claims management companies) fee-blocks; and
- Highlight changes between the draft fees rates in CP21/08 and the final rates in the instrument in Appendix 1. These are due to movements between the estimated fee-payer populations and tariff data (measure of size as a proxy for risk) we used to calculate the draft fee rates in CP22/07 and those used to calculate the final fee rates in Appendix 1 of this Policy Statement (PS).

2.2 We received 13 responses to our consultation question:

Q1: *Do you have any comments on the proposed FCA variable periodic fee rates for 2022/23 for authorised firms?*

Summary of consultation proposals

AFR allocation across fee-blocks – allocations by exception

2.3 To avoid volatility in fees, we allocate the AFR across fee-blocks according to the previous year's distribution, except where there are clear and material reasons for making exceptional increases or decreases for individual fee-blocks ('allocation by exception'). This does not affect minimum or flat fees. We have summarised the total AFR in paragraphs 1.6 – 1.9 and Table 1.1. Table 2.1 confirms how the total has been allocated to fee-blocks for 2022/23, showing the increase or decrease compared to 2021/22.

2.4 This year, the only allocation by exception arises from the cryptoasset scope change project. The other initiatives for which we are recovering costs affect all firms, so recovery is spread proportionately across all fee-blocks - the transformation programme (£10m), the consumer harm campaign (£2.3m) and the financial promotions project (£2.4m).

Table 2.1: 2022/23 AFR allocation across fee-blocks

AFR allocations to fee-blocks	Proposed 2022/23 £m	Actual 2021/22 £m	Movement £m	Movement %
A.0 FCA minimum fee	27.2	21.0	6.1	29.1%
AP.0 FCA prudential fee (ii)	21.2	17.9	3.3	18.3%
A.1 Deposit acceptors (i) (iv)	81.4	79.0	2.4	3.0%
A.2 Home finance providers and administrators (iv)	19.9	18.8	1.1	5.6%
A.3 Insurers – general (i)	28.4	28.4	0.0	0.0%
A.3 Insurers – general (business interruption) (i)	0.0	7.4	(7.4)	(100.0)%
A.4 Insurers – life (i) (iv)	48.7	47.7	1.0	2.1%
A.5 Managing agents at Lloyd's (i)	0.2	0.2	0.0	(0.2)%
A.5 Managing agents at Lloyd's (i) (business interruption)	0.0	0.1	(0.1)	(100.0)%
A.6 The Society of Lloyd's (i)	0.4	0.4	0.0	(0.5)%
A.7 Portfolio managers (iv)	49.7	49.0	0.7	1.5%
A.9 Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes (iv)	13.2	12.5	0.7	5.6%
A.10 Firms dealing as principal (iii)	56.4	56.8	(0.4)	(0.7)%
A.13 Advisors, arrangers, dealers, brokers (iv)	86.8	82.3	4.6	5.6%
A.14 Corporate finance advisers (iv)	15.9	15.0	0.8	5.6%
A.18 Home finance providers, advisers and arrangers	19.1	18.4	0.6	3.5%
A.19 General insurance mediation	31.5	30.4	1.1	3.5%
A.21 Firms holding client money or assets or both	16.0	15.5	0.5	3.6%
A.22 Principal firms – appointed representatives	7.1	7.2	(0.1)	(1.5)%
CC1. Consumer credit–limited permission (iv)	8.8	8.8	0.0	0.2%
CC2. Consumer credit–full permission (iv)	45.4	45.3	0.1	0.2%
Claims Management Companies	1.9	1.8	0.1	5.3%
B. Recognised investment exchanges, recognised overseas investment exchanges, multilateral trading facilities, organised trading facilities, recognised auction platforms, service companies, regulated benchmark administrators, third-country legal representative, benchmark endorsers	8.7	10.2	(1.5)	(14.9)%
C. Collective investment schemes	2.9	2.7	0.2	7.1%
D. Designated professional bodies and professional body supervisors	1.9	1.8	0.1	5.1%
E. Issuers and sponsors of securities	24.7	23.6	1.2	4.9%

AFR allocations to fee-blocks	Proposed 2022/23 £m	Actual 2021/22 £m	Movement £m	Movement %
G. Money laundering regulations; regulated covered bonds regulations; payment services regulations; electronic money regulations; firms undertaking consumer buy-to-let business; data reporting services providers; third-party verification agents; cryptoasset businesses (iv)	11.7	8.1	3.6	44.3%
J.1 Credit rating agencies	1.3	2.3	(1.0)	(44.7)%
J.2 Trade repositories and J.3 securitisation repositories (iv)	0.5	1.0	(0.5)	(46.4)%
Total AFR	630.9	613.7	17.2	2.8%

Notes:

- (i) Fee-block activities that are dual-regulated by the FCA for conduct purposes and the PRA for prudential purposes.
- (ii) AP.0 FCA prudential fee-block is only recovered from FCA solo-regulated firms in proportion to the total periodic fees they pay through FCA solo-regulated fee-blocks.
- (iii) Includes certain investment firms that have been designated by the PRA to be regulated by the PRA for prudential purposes. These designated firms do not pay fees in AP.0, but the remaining solo-regulated firms in A.10 do.
- (iv) Fee-blocks with firms subject to Money-Laundering Regulations contributing towards cryptoasset scope change costs.

Recovery of costs of cryptoasset scope change project

2.5 As discussed in CP22/07 (paragraphs 2.9 – 2.16), we proposed to distribute among all fee-payers subject to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs) recovery of the costs of the scope change project to bring certain cryptoasset businesses into supervision under the MLRs. We would normally recover these costs directly from the businesses affected but businesses in this sector are often extremely complex and about 80% of applicants have been rejected by us or have withdrawn their applications. We expect around 50 cryptoasset businesses to be registered. We would have had to increase their fees by up to 300% to recover the £8m project costs from them. We believe this would be disproportionately high for a restricted supervisory regime under the MLRs which does not involve conduct regulation under FSMA. Because they are supervised under the MLRs, we have restricted cost recovery to those fee-blocks where the majority of fee-payers are subject to the MLRs, identified by Note (iv) in Table 2.1.

2.6 We anticipated this challenge last year and gave advance notice of our thinking in CP21/33, published in November 2021. We reviewed the feedback received and gave our response in paragraph 2.13 of CP21/07. We noted in paragraph 2.6 of the CP that we may face a similar challenge with pre-paid funeral plan firms next year, and we will discuss the issues in our fees policy CP in November 2022.

2.7 We are only spreading cost recovery of the project set-up costs. Cryptoasset businesses will pay the full costs of their annual supervision, coming to £3.01m per year. The fee-rate for 2022/23 is £4.03 per £1,000 of supervised income, and we have set the minimum fee at £2,000.

Minimum and flat rate fees

2.8 Minimum fees for the 'A' and consumer credit (CC) fee-blocks did not form part of the consultation because the FCA Board set the rates in March 2022, before we published CP22/07. We set out the new structure, including the 2022/23 rates, and provided feedback in handbook notice 97, published in March 2022.

- 2.9** We proposed to increase all other minimum and flat rate fees in line with the 6.2% increase in the baseline ORA.
- 2.10** Firms which are dual-regulated with the Prudential Regulation Authority (PRA) pay lower fees in fee-block A.0 to take account of the fact that they are paying both financial regulators, so their charge is £750 – 50% of the charge of £1,750.
- 2.11** Credit unions and non-directive friendly societies (NDFSs) are also dual-regulated, but we did not integrate them into the new model to maintain the various concessions they receive on FCA fees to support their social missions. We proposed to extend this concession to the larger credit unions and friendly societies as well. They currently pay the same minimum fees as other dual-regulated firms. Large credit unions and friendly societies may have noticed that the fees calculator was for a while allocating the full fee to them. This was due to technical problems which have now been resolved.
- 2.12** Table 2.2 shows the minimum fees for dual-regulated firms, clarifying the distinction between charges for firms with and without concessions.

Table 2.2: Minimum fees for dual-regulated firms

		2021/22	2022/23	Increase
Firms without concessions		£574	£750	£176
Firms with concessions				
Credit union	Up to £0.5m of MELs*	£92	£97	£5
	Up to £2m of MELs*	£310	£327	£17
	Over £2m of MELs*	£574	£606	£32
Non-directive friendly society	Small**	£247	£261	£14
	Large**	£574	£606	£32

Notes

* MELs – Modified eligible liabilities (ie deposits)

** Small friendly society – up to £0.5m of gross written premium in fee-block A.3 or up to £1m in A.4, and best estimate liabilities up to £1m.

Variable periodic fees for the A fee-blocks

- 2.13** The final fee-rates are in Appendix 1 (FEES 4 Annex 2A). Our other proposals in chapter 3 of CP22/07 were:
- To continue to apply a premium of 25% and 65% to the fee rates for medium-high and high-impact firms respectively in the top 2 bands of the A.1 fee-block (Deposit acceptors).
 - To continue to use bandings within the A.21 fee-block (firms holding client money or assets or both) based on the risk classifications we apply to firms in the Client Assets sourcebook (CASS).
 - To maintain the fee arrangements for firms based in the European Economic Area (EEA) which are in the final year of the transitional regime.
- 2.14** In addition, we proposed in paragraph 2.17 of the CP to return to the standard invoice payment term of 30 days.

Feedback from consultation

- 2.15** We received a significant amount of feedback that we should not increase fees, especially minimum fees for small firms. One respondent asked us to commit to freeze minimum fees for a period once they had all been set at £2,200 in 2024/25. We were also asked about our overall cost controls and the extent to which we had sought to make savings. One respondent commented that, while the FCA's fees might not look material in relation to other costs, they caused concern for smaller fee-payers when all the costs are taken together collectively.
- 2.16** There were some suggestions that we should revise our approach to fees to take account of sub-standard behaviour - for example, introducing the equivalent of a no claims discount, factoring in the number of complaints upheld by the Financial Ombudsman Service or moving towards a 'polluter pays' approach. One respondent cited the lower consumer risks presented by mutuals compared to many banks and repeated earlier suggestions that building societies should be decoupled from the deposit takers fee-block.
- 2.17** Four respondents expressed disappointment that, despite the objections raised when we consulted last November, we had maintained our proposal to recover the £8m scope change costs of cryptoasset businesses from the wider population of fee-payers subject to the MLRs.
- 2.18** There were three comments on the rates for ARs in fee-block A.22, all arguing that the increases were unacceptably high (from £250 to £287 for ARs and £75 to £86 for IARs). One commented that these increases of nearly 15% had been 'sneaked in' without comment. Another expressed concern that the FCA Board minutes for 24 March did not mention the increased AR fee, suggesting the Board had not been made aware of it. They also said that this increase had been 'dropped into the consultation paper without any context' which showed a lack of transparency, particularly because this fee applies retrospectively from 1 April 2022.
- 2.19** One respondent supported the removal of extended payment terms on invoices, since small and medium firms normally pay their fees in instalments so are not affected in practice. Three others said the 90-day concession had been useful, one commenting that it was 'somewhat ironic' for the FCA to take a rigid approach while expecting regulated firms to show flexibility towards their own customers. One suggested that the FCA should signal its willingness to consider extended payment terms where there are reasonable grounds given the current economic climate where firms and customers are experiencing significant inflationary pressures against their own cash flows, coupled with an overall increase in regulatory costs.

Our response

Our responses are:

- We know that our costs are borne by the regulated population. We have strong internal processes for challenging and controlling our costs and identifying savings where possible. We froze our minimum and flat-rate fees for two years during the pandemic. In response to the feedback on our November 2021 consultation proposals for a

new structure for minimum fees, we lessened the impact when we set the rates in March 2022 by spreading the increases over three years instead of two.

- We recognise that this is still a difficult period for businesses, especially small businesses. Therefore, although these fees did not form part of the current consultation, we have decided to extend the phased restructuring of minimum fees for the A and CC fee-blocks over 4 years. As we explained in paragraph 1.9, this has the effect of reducing the AFR by £9.1m. Such a material reduction represents a challenge to us and we will continue to keep our costs under close review. Tables 2.3 and 2.4 compare the previous structure with the current restructuring.

Table 2.3: Current structure of minimum fees

Credit-related income	2020/21	2021/22	2022/23	2023/24	2024/25
Fee-block A.0					
Not applicable	£1,151		£1,750	£2,200	£2,200
Fee-block CC.1 (limited consumer credit permission)					
Up to £10,000	£106	£250	£500	£750	£1,100
£10,000 – £50,000	£266	£500	£800	£1,100	
£50,000 – £100,000	£424				
Over £100,000	£530	£750	£1,100		
Fee-block CC.2 (full consumer credit authorisation)					
Up to £50,000	£318	£750	£1,500	£2,000	£2,200
£50,000 – £100,000	£530	£1,000	£1,750	£2,200	
Over £100,000	£1,061	£1,151			

Table 2.4: Revised structure of minimum fees

Credit-related income	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Fee-block A.0						
Not applicable	£1,151	£1,151	£1,500	£1,750	£2,000	£2,200
Fee-block CC.1 (limited consumer credit permission)						
Up to £10,000	£106	£250	£350	£600	£800	£1,100
£10,000 – £50,000	£266	£500	£700	£900	£1,100	
£50,000 – £100,000	£424					
Over £100,000	£530	£750	£1,000	£1,100		
Fee-block CC.2 (full consumer credit authorisation)						
Up to £50,000	£318	£750	£1,000	£1,250	£1,500	£2,200
£50,000 – £100,000	£530	£1,000	£1,250	£1,500	£1,750	
Over £100,000	£1,061	£1,151	£1,500	£1,750	£2,000	

- We have to recover our full costs and all firms should make a reasonable contribution towards them. We have extended the phasing of minimum fees beyond 2024/25 and cannot make commitments about our fee levels beyond 2025/26.
- We have in the past considered linking fees to performance. The overwhelming majority of firms are compliant and we believe it would be disproportionately costly to administer fairly and consistently. For example, few firms would have all or none of the complaints against

them upheld by the Financial Ombudsman Service so we would have to devise a form of weighting and possibly factor in a more qualitative assessment of the seriousness of the complaints to strike a balance between, say, a firm with several relatively minor technical breaches against a firm with a single case of wide-ranging consumer harm. Apart from the administrative expense, any charging system based on performance is likely to increase the number of challenges to invoices.

- We do not propose to change our position on decoupling building societies from other deposit acceptors. We reviewed the position of building societies in our policy statement PS20/07 (paras 2.24 and 2.25). There, we explained that fee-blocks group firms together that carry out common permitted regulatory activities and no account is taken in other fee-blocks of the differing risk profiles of sub-groups of firms or individual firms.
- We explained in CP22/07 why we were proceeding with the proposal to share recovery of the cryptoasset scope change costs among the wider population despite the objections we had received. We agree that, since cryptoassets will not be the last small market to be brought into scope, we need to continue the discussion of our policy on the recovery of project and work programme costs. We intend to include proposals in our autumn CP on fees policy.
- One respondent pointed out that mortgage intermediaries are not subject to the MLRs. We have excluded their fee-block (A.18) from contributing towards recovery of the cryptoasset costs.
- We did not single out the AR fee-block (A.22) for comment because it was not an exception to the standard modelling criteria. Its AFR increased by 7.9% after taking account of inflation and its contribution towards wider FCA costs as explained in paragraphs 2.3-2.4. The rates per AR were pushed beyond that, to nearly 15%, as a result of a reduction of 11% in the number of ARs. This would not have affected the total recovered, but it would have affected the distribution of cost recovery between fee-payers.

Since consulting, we have decided it would be more consistent to treat the AR and IAR fees in line with our approach to other flat rate fees set out in paragraph 2.8 and increase them by 6.2% only to take account of inflation - so from £250 to £266 for ARs and from £75 to £80 for IARs.

We are reviewing our long-term funding arrangements for developing policy towards ARs and ongoing regulation and enforcement, where we expect to intensify activity in line with our published business plan and strategy. We will review the options for cost recovery in the fees policy CP that we expect to publish in November.

- Extended payment terms result in additional administration and so add time and costs to the fee collection process and systems maintenance. These costs are passed on to other fee-payers, so we are not maintaining this concession. If a firm faces genuine difficulty over the timing of its invoice, we encourage early engagement with our Fees team.

Changes between draft fee rates and final rates

- 2.20** We highlighted in [CP22/07](#) that the draft fee rates and levies were calculated using estimated fee-payer populations and tariff data (measures of size). We explained that these may change when we calculate the final fee rates in June 2022.
- 2.21** Table 2.5 shows the estimated firm populations and tariff data which were used to calculate the draft fee-rates in Appendix 1 of [CP22/07](#) and the actual figures used to calculate the final fee rates in Appendix 1 of this PS.
- 2.22** Firms can use our [online fees calculator](#) to calculate their individual fees based on the final rates in Appendix 1 of this PS.

Table 2.5: Changes in data used to calculate draft and final fee rates and year-on-year movement in actual fee rates between 2021/22 and 2022/23

Fee block	Tariff base	Number of firms in fee-blocks			Tariff data			Change in rates
		2022/23 Estimated	2021/22 Actual (i)	Change	2022/23 Estimated	2021/22 Actual ⁽ⁱ⁾	Change	
A.1	Modified eligible liabilities	746	750	(0.5)%	£3,706.6bn	£3,706.3bn	0.0%	0.3%
A.2	Number of mortgages or other home finance transactions	446	449	(0.7)%	£6.9m	£6.8m	0.5%	0.0%
A.3	Gross written premium	312	314	(0.6)%	£72.8bn	£68.2bn	6.7%	(6.1)%
	Best estimate liabilities				£139.8bn	£140.5bn	(0.5)%	1.1%
A.4	Gross written premium	150	152	(1.3)%	£132.5bn	£127.8bn	3.7%	(3.3)%
	Best estimate liabilities				£1,554.4bn	£1,481.7bn	4.9%	(4.3)%
A.5	Active capacity	57	57	0.0%	£39.7bn	£39.7bn	(0.1)%	(2.4)%
A.7	Funds under management	2,819	2,851	(1.1)%	£11,422.4bn	£11,314.1bn	1.0%	(0.6)%
A.9	Gross income	1,338	1,362	(1.8)%	£14.1bn	£13.7bn	3.1%	(2.7)%
A.10	Traders	440	447	(1.6)%	8,157	8,215	(0.7)%	1.0%
A.13	Annual income	11,651	11,901	(2.1)%	£34.8bn	£34.7bn	0.3%	0.0%
A.14	Annual income	803	824	(2.5)%	£11.2bn	£10.5bn	7.4%	(6.5)%
A.18	Annual income	5,578	5,664	(1.5)%	£1.9bn	£1.9bn	2.2%	(3.9)%
A.19	Annual income	12,588	12,812	(1.7)%	£18.6bn	£18.8bn	(1.1)%	1.4%
A.21	Client money	1,042	1,075	(3.1)%	£185.9bn	£189.7bn	(2.0)%	2.8%
	Assets held				£19,458.3bn	£19,463.7bn	0.0%	0.3%
A.22	Appointed Representatives	3,266	3,266	0.0%	36,425	37,191	(2.1)%	(7.3)%
CC1.	Annual income	21,780	21,952	(0.8)%	£2.0bn	£2.1bn	(3.6)%	(4.0)%
CC2.	Annual income	12,920	13,143	(1.7)%	£24.7bn	£25.4bn	(2.7)%	(4.0)%
CMC	Annual income	579	607	(4.6)%	£209.0m	£308.1m	(32.1)%	67.7%

Notes:

(i) 'Actual' refers to the data as set out in Table 2.3 of PS21/07, published in July 2021.

3 FCA periodic fees for other bodies

(Final rules in Appendix 1 - FEES 4 Annex 2AR, Annex 4R, Annex 5R, Annex 10R, Annex 11R, Annex 14R, Annex 15R, Annex 16R, FEES 4A Annex 2R, Annex 1R, FEES App 2 Annex 2 Part 3, FEES App 3.1.2)

3.1 In this chapter, we give feedback on the responses to our proposals in Chapter 4 of [CP22/07](#) on the draft fee-rates rules for bodies that fall within the 'B' to 'J' fee-blocks:

- B – market infrastructure providers
- C – collective investment schemes
- D – designated professional bodies and professional body supervisors
- E – issuers and sponsors of securities
- G – firms subject to: money laundering regulations including cryptoasset businesses, regulated covered bonds regulations, payment services regulations, electronic money regulations, firms undertaking consumer buy-to-let business, data reporting services providers, third-party verification agents
- J – credit rating agencies, trade repositories and securitisation repositories

3.2 We also highlight the changes between the draft fee rates in [CP22/07](#) and the final rates contained in Appendix 1 of this policy statement (PS).

Consultation responses

3.3 Our consultation proposals were:

- To increase all minimum and flat-rate fees in line with the 6.2% increase in our ORA (ongoing regulatory activities) budget.
- To return to the standard invoice payment term of 30 days.

3.4 Our question was:

Q2: *Do you have any comments on the proposed FCA 2022/23 minimum fees and periodic fee rates for fee payers other than authorised firms?*

Feedback from consultation

3.5 We received 10 responses.

- Two respondents supported the fees for trade repositories (TRs) and securitisation repositories (SRs) in fee-blocks J.2 and J.3. A third argued that the fees of SRs were, at £11.75 per £1,000 of regulated income, disproportionately high compared to the rate of £1.97 per £1,000 for credit rating agencies (CRAs) in fee-block J.1. The risks for SRs, the respondent asserted, are closer to CRAs than TRs.
- We received responses from 7 of the 22 professional body supervisors (PBSs) overseen by OPBAS (Office for Professional Anti-Money Laundering Supervision). Although the budget for OPBAS had increased by only 5%, several noted that

the variable fee-rates had increased by nearly 21%, which they considered excessive, arguing that such volatility in the variable fee is unsustainable. Other bodies expressed concern about the lack of transparency and explanation for the proposed increase and asked for justification of it. There was also concern about the consistency of reporting by PBSs, and a comment that minimum fees should not have been increased in line with ORA because that was not relevant to OPBAS. Several PBSs were also disappointed that they had not been alerted that the consultation was taking place.

- There were no comments on the payment terms.

Our response

Our responses are:

- We are recovering fixed amounts from fee-blocks, so low headline rates often indicate high volumes of data rather than lower fees payable. In the case of CRAs, we are recovering £1.2m from 10 fee-payers, and the average fee is approximately £126,000. With TRs and SRs, we are recovering £0.5m from 4 fee-payers and the average fee is about £135,000. So, the difference between the fees paid is not as large as the fee-rates might indicate. We are satisfied that we are recovering the appropriate amounts from these firms.
- The OPBAS levy is based on the number of individuals each PBS supervises under the MLRs and the reported figure had reduced from last year. Since we are recovering a fixed amount, a reduction in the number of individuals will raise the rate per individual. In itself, this need not significantly affect the totals paid by the various fee-payers but in this case it produced a large change in the pattern of cost recovery between them compared to last year. This tended to confirm the suspicions of some respondents that the data might not all have been prepared in line with our definition for fees purposes. We accordingly carried out a data validation exercise with the individual PBSs. This confirmed that the figures for some had been understated. The revised figures supplied directly by PBSs generate a rate per individual of £35.19. This is a rise of 7% rather than 21% as consulted on and, more importantly, the pattern of distribution is closer to last year's. We had used standard reports to avoid the need for additional reporting by PBSs so we are discussing with them how best to ensure that we have access to validated data in the future.
- Since OPBAS staff are FCA employees, the FCA's ORA does affect the costs of OPBAS and so it is appropriate that its minimum fees should be uplifted on the same basis as other minimum fees.
- We apologise that we did not alert PBSs and will ensure they are made aware of fees consultations in the future.

Changes between draft fee rates and final rates

- 3.6** We highlighted in [CP22/07](#) that we calculated the draft fee rates and levies using estimated fee-payer populations and tariff data (measures of size). We explained that these may change when we calculate the final fee rates in June 2022.

- 3.7** Table 3.1 lists the fee-blocks where the percentage variance in the fee rates from 2021/22 has changed from the draft rates in CP22/07 and the final rates in Appendix 1 of this PS.
- 3.8** Firms can use our [online fees calculator](#) to calculate their individual fees based on the final rates in Appendix 1 of this PS.

Table 3.1: Variance in fee rates from 2021/22 – CP22/07 compared to actual

Fee-block (variable fee rate)	Variance in fee rates from 2021/22 (i)	
	CP22/07	Actual
C: Collective investment schemes	(13.4)%	(3.7)%
D: Designated professional bodies	4.2%	(1.8)%
D: OPBAS	20.9%	7.2%
G.3: Payment Services Regulations - large payment institutions and registered account information service providers	14.0%	35.5%
G.10: Electronic Money Regulations - large electronic money institutions	(67.7)%	(63.4)%
J: Trade repositories	(40.9)%	(47.0)%

4 FCA application fees

(Final rules in Appendix 1 – FEES 3 Annex 13, Annex 15)

- 4.1** In Chapter 5 of [CP22/07](#), we reminded firms of the new structure of application fees we introduced from 24 January 2022. Further details, including references to the original consultation, are in [PS22/1](#) and the categories are set out in FEES 3 Annex 1A. Since then, we have introduced a new category 1 charge (currently £250) for notifications of functions under the senior managers regime (SMR) and controlled functions for appointed representatives (CF(AR)) (see [Handbook Notice 98](#)).
- 4.2** We explained that, to avoid the fees falling behind in the future, we intend to uprate the charges each year in line with the ORA budget and that we will be consulting on the first uprating in April 2023, to come into effect from 1 July 2023.
- 4.3** We also consulted on allocating categories for application fees for credit rating agencies (CRAs), trade repositories (TRs) and securitisation repositories (SRs).
- Q3:** *Do you have any comments on our proposals for integrating into the new pricing structure the application fees for credit rating agencies (CRAs), trade repositories (TRs), securitisation repositories and third country firms seeking certification as a CRA or recognition as a TR?*
- 4.4** We received one response, which supported our proposal, so we have confirmed the rates as consulted on:
- CRAs, TRs and SRs: Category 5 (£5,000);
 - Third country firms seeking certification as a CRA or recognition as a TR: Category 4 (£2,500).
- 4.5** We are also implementing a commitment we made in [CP21/08](#) to exempt credit unions from the new Category 1 (£250) charge for applications under the senior managers and certification regime (SMCR) and the controlled functions for appointed representatives (CF(AR)). This was omitted when we implemented the charge in May 2022 (see [Handbook Notice 98](#)), so we have amended FEES 3 Annex 15R to rectify the position.

5 Applying financial penalties

- 5.1** In this chapter we confirm the amount of retained penalties from 2021/22 and the final percentage rebates that will be applied to 2022/23 periodic fees.
- 5.2** The final amount of retained penalties for 2021/22 is £49.4m, 0.6% more than the £49.1m we estimated in chapter 5 of CP22/07. Table 5.1 sets out how we have distributed the retained penalties across fee-blocks, in the same proportions as CP22/07.

Table 5.1: Final schedule application of 2021/22 retained penalties in 2022/23

Fee-block	Actual amounts in this PS		Estimates in CP22/07	
	Actual 2021/22 retained penalties to be applied to benefit of fee-payers	Actual rebate applied to 2022/23 fees	Estimated 2019/20 retained penalties to be applied to benefit of fee-payers	Estimated rebate applied to 2020/21 fees
	(£m)		(£m)	
AP.0 FCA prudential	0.0	0.0%	0.0	0.0%
A.1 Deposit acceptors	7.8	10.0%	7.7	9.8%
A.2 Home finance providers and administrators	0.8	4.2%	0.8	4.1%
A.3 Insurers – general	1.6	5.7%	1.6	5.6%
A.4 Insurers – life	2.8	6.0%	2.8	5.9%
A.5 Managing agents at Lloyd's	0.0	0.0%	0.0	0.0%
A.6 The Society of Lloyd's	0.0	0.0%	0.0	0.0%
A.7 Portfolio managers	11.5	24.1%	11.4	23.7%
A.9 Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes	1.8	14.4%	1.8	14.2%
A.10 Firms dealing as principal	6.3	11.6%	6.2	11.4%
A.13 Advisors, arrangers, dealers or brokers (not holding or controlling client money or assets, or both)	4.2	5.0%	4.2	4.9%
A.14 Corporate finance advisers	1.9	12.7%	1.9	12.5%
A.18 Home finance providers, advisers and arrangers	3.2	17.5%	3.2	16.8%
A.19 General insurance mediation	2.9	9.5%	2.8	9.3%

Fee-block	Actual amounts in this PS		Estimates in CP22/07	
	Actual 2021/22 retained penalties to be applied to benefit of fee-payers	Actual rebate applied to 2022/23 fees	Estimated 2019/20 retained penalties to be applied to benefit of fee-payers	Estimated rebate applied to 2020/21 fees
	(£m)		(£m)	
A.21 Firms holding client money or assets or both	3.2	21.0%	3.2	20.6%
A.22 Principal firms – appointed representatives	0.0	0.0%	0.0	0.0%
B. Recognised investment exchanges, operators of multilateral trading facilities and recognised auction platforms (only)	0.0	0.0%	0.0	0.0%
CC1 Consumer credit – limited permission	0.0	0%	0.0	0.0%
CC2 Consumer credit – full permission	0.0	0.0%	0.0	0.0%
E. Issuers and sponsors of securities	1.5	6.2%	1.5	6.1%
G.1 Persons registered under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	0.0	0.0%	0.0	0.0%
G.2, G.3, G.4, G.5 Firms under the Payment Services Regulations 2017	0.0	0.0%	0.0	0.0%
G.10, G.11 Firms under the Electronic Money Regulations 2011	0.0	0.0%	0.0	0.0%
G.20, G.21 Firms under the Mortgage Credit Directive Order 2015	0.0	0.0%	0.0	0.0%
G.25 Firms under the Data Reporting Regulations 2017	0.0	0.0%	0.0	0.0%
Total	49.4		49.1	

6 Financial Ombudsman Service general levy

(Final rules in Appendix 1 - FEES 5 Annex 1R)

- 6.1** In this chapter we give feedback on the responses to Chapter 7 of [CP22/07](#). In that chapter, we consulted on the 2022/23 fee rates for firms in the compulsory jurisdiction ('CJ') of the Financial Ombudsman Service (FOS) and set out the proposed fee rates for firms in each industry block.

Summary of proposals

- 6.2** The Financial Ombudsman Service presented its final budget to the FCA Board in March 2022. The FCA Board approved the total budget of £291.7m for 2022/23 (up from a total budget of £260.2m in 2021/22). The total budget covered the annual general levy payable for the compulsory jurisdiction ('the general levy'), voluntary jurisdiction ('VJ levy') and case fees. The Financial Ombudsman Service includes a breakdown of its budget in its [2022/23 plans and budget](#).
- 6.3** The general levy only applies to firms covered by the CJ and it is raised and collected by the FCA. It is payable by all firms authorised or registered by us. This includes those that have not had any cases referred to the Financial Ombudsman Service. However, firms who do not deal with eligible complainants (see [DISP 2.7.3R](#)) can, by written notification to the FCA, claim exemption from the rules relating to the funding of the Financial Ombudsman Service (see [DISP 1.1.12R](#)).
- 6.4** The Financial Ombudsman Service consulted on its 2022/23 budget in its December 2021 consultation. It proposed increasing its compulsory jurisdiction levy by £10m to £106m (approximately 10%) from £96m in 2021/22. The Financial Ombudsman Service also proposed reducing the number of free cases from 25 to 3.
- 6.5** In [CP21/08](#) we said that the Financial Ombudsman Service anticipated that the previous levy set at £96m, together with a case fee of £750, will enable it to maintain price stability for the next three years, with no further increases to the levy or case fee. The Financial Ombudsman Service in their plans and budget consultation and final plans for 2022/23 acknowledged this has not happened. The Financial Ombudsman Service had anticipated that, through its prevention strategy and working closely with financial firms, it could reduce the volume of new cases. However, it seems that it had not yet seen the full extent of the increase in demand which started in 2020/21 and instead case volumes increased considerably. The Financial Ombudsman Service's proposed levy of £106m, coupled with a reduction in free cases to 3 for non-group firms, will allow it to fund the investment in its programme to transform its operations and reduce queues.
- 6.6** We asked:

Q4: *Do you have any comments on the proposed method of calculating the tariff rates for firms in each fee-block towards the CJ levy and our proposals for how the overall CJ levy should be apportioned?*

Feedback on proposals

- 6.7** We received a total of seven responses, with five coming from trade bodies and two from individual firms.
- 6.8** Four respondents commented on the fairness of the Financial Ombudsman Service case fees and the Financial Ombudsman Service decision to reduce the number of free cases from 25 to 3.
- Two respondents felt that the reduction of free cases from 25 to 3 could negatively affect the introduction of the new Consumer Duty as it could result in fewer Consumer Duty-based complaints reaching the Financial Ombudsman Service. The respondents felt that this could affect the Financial Ombudsman Service's ability to develop an approach to complaints related to Consumer Duty and reduce insight available to industry on how the Consumer Duty is interpreted.
 - One respondent suggested that it would be better for the Financial Ombudsman Service to charge for all cases rather than making a free case allowance, provided that this allowed for a reduction in the general levy.
 - One respondent wanted to return to an 85:15 split between case fee and CJ levy income, because this would mean the firms generating the most complaints would pay a greater contribution.

Our response

The Financial Ombudsman Service consults publicly every December on its budget, which sets out its annual income requirement for the coming financial year and how this is split between the CJ levy and case fees. The budget is scrutinised by the FCA Oversight Committee on behalf of the FCA Board, which, under the Financial Services and Markets Act 2000 (FSMA), is required to approve the final budget.

As part of this process, the Financial Ombudsman Service gives the FCA a summary of consultation feedback and sets out how it has responded to stakeholders in its final budget document. The Financial Ombudsman Service publishes the budget consultation and final budget document on its website.

Because the Financial Ombudsman Service's annual income requirement and overall CJ levy and case -fee split is determined by this process, the FCA's rates consultation is only about apportioning the levy across the different fee blocks. But we have shared the points summarised in paragraph 6.8 with the Financial Ombudsman Service.

The Financial Ombudsman Service is also planning to publish a discussion paper in Q1 of the 2022/23 financial year which will consider different long term funding approaches. It will consider how it incentivises constructive behaviour from the whole industry, as well as claims management companies (CMCs) and consumers, and achieves financial sustainability.

- 6.9** In addition to the points above, which are outside the scope of this consultation, there were some specific responses which are covered below.

Apportionment of levy to the CMC fee block

- 6.10** One respondent said that the apportionment of CMC funding (0.29%) seemed low, arguing that the activities of CMCs placed a significant burden on the Financial Ombudsman Service and Consumer Credit firms.

Our response

The Financial Ombudsman Service's method when apportioning the CMC levy reflects the demand the Financial Ombudsman Service expects to be placed on its resources to consider complaints about CMCs.

Accordingly, the levy apportionment reflects the expected volume of complaints about CMCs as authorised firms, not the volume of complaints brought by CMCs as representatives of complainants.

Increase in the tariff rate for building societies

- 6.11** One Respondent wanted to know why there was an increase in the tariff rate for building societies, the I001 industry block.

Our response

Reflecting the approach we take for the FCA fee blocks, the industry block structure for the Financial Ombudsman Service is based on grouping firms together where they undertake common permitted regulatory activities. As with the corresponding FCA fee block A.1, the common activity for industry block I001 is accepting deposits. Reflecting the way the annual funding requirement for firms in A.1 is calculated, the general levy payable by firms in I001 is based on an objective measure of size (tariff base) that is consistently applied to all firms in the fee-block. No account is taken in any FCA fee block or Financial Ombudsman Service industry block of the differing risk profile of sub-groups of firms or individual firms.

7 Money and Pensions Service levies

(Final rules in Appendix 1 - FEES 7A Annex 1R, 2R, 3R and FEES 7C Annex 1R, 2R, 3R)

7.1 In this chapter, we set out the 2022/23 final levies for the Money and Pensions Service (MaPS) and give feedback on the responses we received to Chapter 8 of [CP22/07](#).

7.2 The Department for Work and Pensions (DWP) notified us that the total amount we must collect for MaPS in 2022/23 is £159.4m, made up of amounts for 3 separate levy components:

- £20.5m for money guidance in the UK
- £91.4m for debt advice in England
- £47.5m for pensions guidance in the UK (£14.1m of which is designated for the pensions dashboard).

7.3 We have adjusted the levy amounts to reflect underspends, notified to us by the DWP, on the amounts collected under last year's levies. Table 7.1 below shows the final agreed levy amounts we will be raising in comparison to what we originally consulted on:

Table 7.1: 2021/22 Final Funding requirement – compared to consultation

Function	Consultation funding requirement (£m)	Final funding requirement (£m)	Movement (£m)
Money Guidance	20.5	17.2	(3.3)
Pensions Guidance	33.4	31.1	(2.3)
Debt Advice	91.4	80.7	(10.7)
Pensions Dashboard	14.1	18.9	4.8
Money and Pensions Service Total	159.4	147.9	(11.5)

7.4 In 2021/22, the Pensions Dashboard Programme signed a commercial agreement with a third-party provider. This agreement had higher costs at the outset but provided better value for money in the long term. As a result, an overpayment occurred in 2021/22, which is now being collected. For money guidance, we have updated the allocation to reflect MaPS usage rates and strategic priorities, using the same formula we previously used for MAS. In line with the proposals in [CP22/07](#), for 2022/23, we will allocate MaPS costs to fee-blocks on the same basis we used in 2021/22.

Consultation Responses

7.5 We received a total of nine responses to our consultation questions on the proposed MaPS levy rates for 2022/23, with six responses coming from trade bodies and three from individual firms. Of the responses, three agreed with our outlined proposals.

- 7.6** Three of the responses noted dissatisfaction with elements of the cost allocation methodology. One commented that the percentages for cost allocation of the pensions guidance levy appeared disproportionate, particularly in relation to the pension dashboard. Two responses related to the debt advice levy with one proposing the use of firm income as opposed to amount lent to be factored into the allocation calculations as a fairer way to apportion costs. The other challenged the equal application of the levy between fee blocks A2 and CC3. One of these respondents called for the urgent completion of wider work by MaPS and Government to establish a more sustainable debt advice funding approach for the future with legislation introduced to compel all sectors to pay (for example, local authorities, central government and utilities).
- 7.7** Two respondents said that costs for the money guidance and debt advice levies should be apportioned across other sectors and authorities. A suggestion was made for DWP to liaise with other regulatory bodies such as Ofgem and Ofcom for firms in the energy and telecoms industries to contribute towards the levies. We have passed this comment to DWP for their consideration.
- 7.8** Three responses also expressed concern, or for more information to be made available about the reasoning behind the increase in debt advice and pensions guidance levy rates from 2021/22.
- 7.9** A respondent stated there to be a significant gap in early years education around financial matters, suggesting that it would seem appropriate for the FCA to do more to educate those of school age about financial matters, given its consumer protection objective.

Our Response

The allocation for Pension Wise takes into account additional resource to ensure sufficient capacity in the service to deliver the Stronger Nudge to Pension Guidance policy. These new regulations came into force from 1 June 2022 and require schemes to ensure any saver who accesses their pension through the pension freedoms will receive a Pension Wise appointment or will have actively opted out.

We recognise that financial services firms are concerned about increased levels of funding provisions for the MaPS levies and the mechanics of the current funding model, including the levy methodology. For this consultation, we did not consult on which firms should contribute towards the levies or what tariff base should be used to calculate a firm's contribution. However, on the levy methodology, we have noted the feedback provided and will keep these comments and suggestions under review.

The allocation for pensions dashboards reflects the current build and test phase of the Pensions Dashboards Programme. The Programme is owned by MaPS and is responsible for building and testing the digital architecture that will enable dashboards to operate. Further information about the Programme's different phases can be found on its website at www.pensionsdashboardsprogramme.org.uk.

On feedback received about the FCA's role in financial education, we would like to highlight financial education and capability as being closely aligned to the work and objectives of MaPS. MaPS leads delivery of the UK Strategy for Financial Wellbeing, which in part is designed to enable the provision of financial education to children and young people.

8 Devolved authorities levy

(Final rules in Appendix 1 - FEES 7B Annex 1R, FEES 7D Annex 1R)

- 8.1** In this chapter we set out the 2022/23 final levy amounts for the Devolved Authorities debt advice levy and give feedback on the responses we received to Chapter 9 of [CP22/07](#).
- 8.2** The total budget for delivering debt advice in the Devolved Authorities in 2022/23 is £11.7m. No underspends were reported so the levy amount being collected is the same as that proposed in [CP22/07](#). The Treasury calculated the budget requirements using a funding formula based on population sizes and levels of debt advice need in Scotland, Wales and Northern Ireland. We proposed to allocate costs under the Devolved Authorities debt advice levy in the same proportion they were allocated last year.

Consultation Responses

- 8.3** We received one response to our request for comments on the proposed debt advice levy rate for 2022/23. This mirrored the same sentiment one of the responses received about the Money and Pensions Service (MaPS) debt advice levy, on the unfairness of the current allocations and the current funding model.
- 8.4** Our response to the feedback received on the current allocations and the funding model is in Chapter 7. The FCA does not have a role in deciding the levy amount to be collected as the Treasury is responsible for telling us how much we need to collect for the Devolved Authorities to provide debt advice. We have given the Treasury a summary of the response received for their consideration.

9 Illegal money lending levy

(Final rules in Appendix 1 - FEES 13 Annex 1R, FEES 13A Annex 1R)

9.1 In this chapter, we confirm that the expenses the Treasury will incur in 2022/23 to provide funding for the teams tackling illegal money lending (IML) are £6.8m as notified in CP22/07. This includes FCA collection costs of £0.1m. The variable rate for fee-block CC.2 has increased from £0.259 per £1,000 to £0.270 per £1,000 because the confirmed total of annual income reported by fee-payers is lower than the estimate on which we consulted. The other rates are unchanged:

Table 9.1: 2022/23 IML levy rates

Type of firm	Fee
CC1. Limited permission	£5.00 flat rate
CC2. Full permission	Up to £250,000 consumer credit income: £10 minimum levy
	Over £250,000 consumer credit income: £10 + £0.27 per £1,000

9.2 Our consultation question was:

Q5: *Do you have any comments on the proposed 2022/23 illegal money lending (IML) levy rates?*

9.3 We received one response, which did not object to the proposals. It also made some comments on the work to tackle IML which we have passed across to the Treasury.

Annex 1

List of non-confidential respondents

Amazing Flowers and Cushions

AM Best

Association of Accounting Technicians

Association of British Credit Unions Ltd

Association of Chartered Certified Accountants

Association of Mortgage Intermediaries

Association of Taxation Technicians

Building Societies Association

Chartered Institute of Taxation

Credit Services Association

Customised Mortgage Solutions

Finance & Leasing Association

Institute of Chartered Accountants in England and Wales

Institute of Financial Accountants

Insurance Development and Training Ltd

International Association of Bookkeepers

Legal & General Group

Martin Smith, Independent Financial Adviser

National Pawnbrokers Association

PRIMIS Mortgage Network

Prosperity Wealth Management Limited

REGIS-TR UK LTD

TMA Mortgage Club

Annex 2

FCA financial penalty scheme

1. Paragraph 21 of Schedule 1ZA of the Financial Services and Markets Act 2000 (FSMA) (as amended by the 2012 Act and the Legal Aid, Sentencing and Punishment of Offenders Act 2012 (Referral Fees) Regulations 2013) sets out how we should treat the financial penalties we impose on regulated persons (firms).
2. The key requirements are set out below.
 - The financial penalties we receive must be paid to the Treasury net of certain enforcement costs incurred in the financial year in which the penalties were received. These enforcement costs, which are defined in the legislation and subject to a power of direction by the Treasury, represent the 'retained penalties'.
 - For retained penalties, we must prepare and operate a scheme (the Financial Penalty Scheme (FPS)) for ensuring that retained penalties are applied for the benefit of firms.
 - Firms that have become liable to pay any penalty to us in any financial year do not receive any benefit from any penalty imposed on any firm under the scheme in the following year.
3. Under our FPS we apply retained penalties, received in any financial year, as a rebate to the periodic fees paid in the following financial year by firms in the fee-blocks set out in Table A.
4. The total retained penalties from any financial year will be applied across these fee-blocks in proportion to the allocation of the enforcement budgeted costs for the following financial year. This will target the benefit from retained penalties to the fee-blocks that are paying for enforcement costs. The allocation of enforcement costs to fee-blocks will be as it was in previous years other than where there has been a material and explainable exception (allocation by exception). Where such an allocation by exception has occurred the retained penalties in the following year will be applied to the revised baseline fee-blocks.
5. If financial penalties do not cover enforcement costs in any year the application of retained penalties to the baseline fee-blocks will not cover the enforcement costs allocated to them.
6. Enforcement costs are not allocated to the A.0 minimum fee fee-block. Therefore, retained penalties are not allocated to this fee-block.
7. The firms on which any penalty was imposed in a financial year will not receive any rebate to their periodic fees paid, for any retained penalties, in the following financial year.
8. Each year we publish a schedule setting out the:
 - total retained penalties in the previous financial year
 - amount of retained penalties allocated to each fee-block, and
 - percentage rebate that will be applied in the following financial year to the periodic fees paid by the firms in those fee-blocks

9. A draft of this schedule is published in our annual fees rates CP in March; the final schedule is published in the subsequent policy and feedback statement to that consultation in June.

Table A: Financial Penalty Scheme – relevant fee-blocks

Fee-block
AP.0 FCA prudential
A.1 Deposit acceptors
A.2 Home finance providers and administrators
A.3 Insurers – general
A.4 Insurers – life
A.5 Managing agents at Lloyd's
A.6 The Society of Lloyd's
A.7 Portfolio managers
A.9 Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes
A.10 Firms dealing as principal
A.13 Advisory arrangers, dealers or brokers (not holding or controlling client money or assets, or both)
A.14 Corporate finance advisors
A.18 Home finance providers, advisers and arrangers
A.19 General insurance mediation
A.21 Firms holding client money or assets or both
A.22 Principal firms – appointed representatives
B. Recognised investment exchanges, operators of multilateral trading facilities and recognised auction platforms (only)
CC1 Consumer credit – limited permission
CC2 Consumer credit – full permission
E. Issuers and sponsors of securities
G.1 persons registered under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017
G.2, G.3, G.4, G.5 firms under the Payment Services Regulations 2017
G.10, G.11 firms under the Electronic Money Regulations 2011
G.20, G.21 firms under the Mortgage Credit Directive Order 2015
G.25 firms under the Data Reporting Regulations 2017

Annex 3

Abbreviations used in this paper

Abbreviation	Description
AFR	Annual funding requirement
CASS	Client assets source book
CC	Consumer credit
CIS	Collective investment scheme
CJ	Compulsory jurisdiction (Financial Ombudsman Service)
CMC	Claims management company
CRA	Credit rating agency
DAs	Devolved authorities
DWP	Department for Work and Pensions
EEA	European Economic Area
EU	European Union
FCA	Financial Conduct Authority
FEES	Fees manual
FP	Pre-paid funeral plan
FSA	Financial Services Authority
FSCS	Financial Services Compensation Scheme
FSMA	Financial Services and Markets Act 2000
IML	Illegal money-lending
MaPS	Money and Pensions Service
MAS	Money Advice Service
MLRs	Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017

Abbreviation	Description
MTF	Multilateral trading facility
ORA	Ongoing regulatory activities
OTF	Organised trading facility
PRA	Prudential Regulation Authority
RIE	Recognised Investment Exchange
ROIE	Recognised Overseas Investment Exchanges
SR	Securitisation repository
SFGB	Single Financial Guidance Body
TPAS	The Pensions Advisory Service
TPR	Temporary permissions regime
TR	Trade repository

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Appendix 1

Handbook text

PERIODIC FEES (2022/2023) AND OTHER FEES INSTRUMENT 2022

Powers exercised

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the powers and related provisions in or under the following:
- (1) the Financial Services and Markets Act 2000 (“the Act”):
 - (a) section 73A (Part 6 Rules);
 - (b) section 137A (The FCA’s general rules);
 - (c) section 137SA (Rules to recover expenses relating to the single financial guidance body);
 - (d) section 137SB (Rules to recover debt advice expenses incurred by the devolved authorities);
 - (e) section 137T (General supplementary powers);
 - (f) section 139A (Power of the FCA to give guidance);
 - (g) section 234 (Industry funding);
 - (h) section 333T (Funding of action against illegal money lending); and
 - (i) paragraph 23 (Fees) in Part 3 (Penalties and Fees) of Schedule 1ZA (The Financial Conduct Authority);
 - (2) regulation 118 (Costs of supervision) of the Payment Services Regulations 2017 (SI 2017/752);
 - (3) regulation 59 (Costs of supervision) of the Electronic Money Regulations 2011 (SI 2011/99);
 - (4) paragraph 12K (Power to charge fees) of Part 1A of Schedule 3 and paragraph 35 (Power to charge fees) of Part 3 of Schedule 3 to the Electronic Money, Payment Services and Payment Systems (Amendment and Transitional Provisions) (EU Exit) Regulations 2018 (SI 2018/1201);
 - (5) regulation 46 of and paragraph 5 of Schedule 1 (Fees) to the Regulated Covered Bond Regulations 2008 (SI 2008/346);
 - (6) article 25 (Application of provisions of the Act to the FCA in respect of its supervision of consumer buy-to-let mortgage firms) of the Mortgage Credit Directive Order 2015 (SI 2015/910);
 - (7) regulation 40 (FCA: penalties, fees and exemption from liability in damages) of the Data Reporting Services Regulations 2017 (SI 2017/699);
 - (8) regulation 26 (FCA: penalties, fees and exemption from liability in damages) of the Financial Services and Markets Act 2000 (Benchmarks) Regulations 2018 (SI 2018/135);
 - (9) paragraph 11 (Penalties and fees) of Schedule 1 and paragraph 4(7) of

Schedule 2 to the Securitisation Regulations 2018 (SI 2018/1288);

- (10) regulation 102 (Costs of supervision) of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (SI 2017/692);
 - (11) regulation 27 (Costs of supervision) of the Oversight of Professional Body Anti-Money Laundering and Counter Terrorist Financing Supervision Regulations 2017 (SI 2017/1301);
 - (12) regulations 206 (Meaning of "qualifying functions" in this Part) and 208 (Fees: Financial Conduct Authority) of the Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (SI 2019/632); and
 - (13) regulation 63 (power to charge fees) of the EEA Passport Rights (Amendment, etc. and Transitional Provisions) (EU Exit) Regulations 2018 (SI 2018/1149).
- B. The rule-making powers listed above are specified for the purpose of section 138G (Rule-making instruments) of the Act.
- C. As required by section 137SA(5) of the Act, the Secretary of State has consented to rules made under that section and, as required by section 137SB(5) of the Act, the Treasury has consented to rules made under that section.

Commencement

- D. This instrument comes into force on 1 July 2022.

Amendments to the Handbook

- E. The Fees manual (FEES) is amended in accordance with the Annex to this instrument.

Notes

- F. In the Annex to this instrument, the "notes" (indicated by "*Editor's Note*:", "Note:" or "**Note**") are included for the convenience of readers but do not form part of the legislative text.

Citation

- G. This instrument may be cited as the Periodic Fees (2022/2023) and Other Fees Instrument 2022.

By order of the Board
23 June 2022

Annex

Amendments to the Fees manual (FEES)

In this Annex, underlining indicates new text and striking through indicates deleted text.

3 Application, Notification and Vetting Fees

...

3.2 Obligation to pay fees

...

3.2.7 R Table of application, notification, vetting and other fees payable to the FCA

Part 1A: Application, notification and vetting fees		
(1) Fee payer	(2) Fee payable (£) by reference to the pricing category in <i>FEES 3 Annex 1AR</i> .	Due date
...		
<p>(da) <i>Persons</i> making an application or notification in relation to applications set out in <i>FEES 3 Annex 2R</i>:</p> <p>(i) <i>authorisation order</i> for or recognition under section 272 of the <i>Act</i> of a <i>collective investment scheme</i>;</p> <p>(ii) application for the authorisation of an <i>AIF</i> as an <i>LTIF</i>;</p> <p>(iii) the <i>management company</i> of a scheme making a notification under section 264 of the <i>Act</i>;</p> <p>(iv) a <i>non UK AIFM</i> (with a <i>branch</i> in the <i>UK</i>) notifying the <i>FCA</i></p>	Category applicable to the application or notification set out in <i>FEES 3 Annex 2R</i>	On or before the date the application or notification is made

<p>of its intention to market an <i>AIF</i> in the <i>UK</i> under regulation 59 of the <i>AIFMD UK regulation</i>;</p> <p>(v) an <i>AIFM</i> notifying the <i>FCA</i> of its intention to market an <i>AIF</i> in the <i>UK</i> under regulation 58 or 59 of the <i>AIFMD UK regulation</i>; <u>and</u></p> <p>(vi) an applicant for registration on the register of <i>small registered UK AIFM</i>.</p>		
...		

...

3 Annex 2R Application and notification fees payable in relation to collective investment schemes, LTIFs, money market funds and AIFs marketed in the UK

Legislative provision	Nature and purpose of fee	Payable by	Applicable pricing category in FEES 3 Annex 1AR	Umbrella factor (note 1)
Part 1 [deleted]				
...				
Part 2 Application fees payable for firms to be subject to <i>COLL</i>				
...				
Part 2A Application fees payable for firms applying for a UK AIF to be authorised under the <i>ELTIF</i> regulation article 5 of the <i>LTIF</i> regulation				
Article 5 of the <i>ELTIF LTIF</i> regulation	On application for an <i>AIF</i> to be authorised under the <i>ELTIF</i> <i>LTIF</i> regulation	An applicant	5	2

Part 2B Application fees payable for UK or non-EEA firms applying for authorisation under article 5 of the Money Market Funds Regulation				
...				
Part 3 (notifications) [deleted]				
Section 264 of the Act	On giving notice under section 264 of the Act	The operator	3	2
Part 4 (Alternative Investment Funds: fees payable for making a notification to the FCA to market an AIF)				
...				

...

3 Annex 13R Fees payable for registration as a credit rating agency, trade repository or securitisation repository

Application type	Amount payable (£) <u>Applicable pricing category in FEES 3 Annex 1AR</u>
<i>Credit rating agency</i>	5,000 <u>5</u>
<i>Trade repository</i>	5,000 <u>5</u>
Third country <i>firm</i> seeking certification as a <i>credit rating agency</i>	1,500 <u>4</u>
Third country <i>firm</i> seeking recognition of a <i>trade repository</i>	1,500 <u>4</u>
<i>Securitisation repository</i>	5,000 <u>5</u>

...

3 Annex 15R FCA Transaction Fees

Application type	Pricing category in FEES 3 Annex 1AR	Due date
------------------	--------------------------------------	----------

...	...		
5	Validation Orders		
	...		
6	<p>Applications in respect of controlled functions under the Senior Managers and Certification Regime (SMCR) and applications by principal firms in respect of controlled functions for appointed representatives (CF(AR)), using the <i>Long Form A</i>, other than where the applicant is a <i>credit union</i>,</p> <ul style="list-style-type: none"> • <u>in respect of controlled functions under the Senior Managers and Certification Regime (SMCR); or</u> • <u>by <i>principal firms</i> in respect of <i>controlled functions</i> for <i>appointed representatives</i> (CF(AR)), using the <i>Long Form A</i>,</u> <p>provided the application [i.e none of the above] does not form part of an application for <i>authorisation</i>, variation of permission or registration of an <i>appointed representative</i>:-</p>	1	On or before the date the application is made

4 Periodic fees

4 Annex 1AR FCA activity groups, tariff bases and valuation dates

...

Part 2

This table sets out the activity groups (fee blocks) in relation to (i) the minimum fees payable to the *FCA* and (ii) the prudential fee payable to the *FCA*.

Activity group	Fee payer falls into the fee-block if
A.0 <i>FCA</i> minimum fee	(1) it is in at least one of the fee blocks under Part 1; and (2) it is not: (a) a <i>UK ISPV</i> ; or (b) a <i>firm</i> whose only <i>permission</i> is <i>operating a dormant fund account</i> ; or (c) a <i>firm</i> exclusively carrying on <i>credit-related regulated activities</i> ; or (d) a funeral plan intermediary or provider in fee-block A.23.
...	

**4 Annex FCA Fee rates for the period from 1 April 2021 2022 to 31 March 2022 2023
2AR**

Part 1

...

Activity group	Fee payable	
A.1	Band width (£million of Modified Eligible Liabilities (MELs))	Fee (£/£m or part £m of MELs)
		General Periodic fee
	>10 – 140	44.5772 <u>14.526</u>
	>140 – 630	44.5772 <u>14.526</u>
	>630 - 1,580	44.5772 <u>14.526</u>
	>1,580 - 13,400	48.222 <u>18.158</u>

	>13,400	24.052 <u>23.968</u>
	The tariff rates in A.1 are not relevant for the <i>permissions</i> relating to <i>operating a dormant account fund</i> . Instead, a flat fee of £6,367 <u>£6,762</u> is payable in respect of these <i>permissions</i> .	
A.2	Band width (No. of mortgages and/or home finance transactions)	Fee (£/mortgage)
	>50	2.816 <u>2.877</u>
A.3	Gross written premium for fees purposes (GWP)	Periodic fee
	Band Width (£million of GWP)	Fee (£/m or part £m of GWP)
	>0.5	365.89 plus, where neither the firm, nor a member of its group, was a defendant in Financial Conduct Authority v Arch Insurance (UK) Ltd and others [2020] EWCA Comm 2448, 110.63 <u>351.76</u>
	PLUS	
	Best estimate liabilities for fees purposes (BEL)	General Periodic fee
	Band Width (£million of BEL)	Fee (£/£m or part £m of BEL)
	>1	18.9 plus, where neither the firm, nor a member of its group, was a defendant in Financial Conduct Authority v Arch Insurance (UK) Ltd and others [2020] EWCA Comm 2448, 6.15 <u>19.17</u>
	For <i>UK ISPVs</i> the tariff rates are not relevant and a flat fee of £515 <u>£547.00</u> is payable in respect of each <i>FCA</i> financial year (the 12 <i>months</i> ending 31 March).	

A.4	Gross written premium for fees purposes (GWP)	General Periodic fee
	Band Width (£million of GWP)	Fee (£/£m or part £m of GWP)
	>1	224.27 <u>220.78</u>
	PLUS	
	Best estimate liabilities for fees purposes (BEL)	General Periodic fee
	Band Width (£million of BEL)	Fee (£/£m or part £m of BEL)
	>1	12.89 <u>12.55</u>
A.5	Band Width (£million of Active Capacity (AC))	Fee (£/£m or part £m of AC)
	>50	6.90 plus, where neither the firm, nor a member of its group, was a defendant in Financial Conduct Authority v Arch Insurance (UK) Ltd and others [2020] EWCA Comm 2448, 2.15 <u>6.20</u>
A.6	Flat fee (£)	373,766.69 <u>372,052.78</u>
A.7	For class 1(C), (2), (3) and (4) firms:	
	Band Width (£million of Funds under Management (FuM))	Fee (£/£m or part £m of FuM)
	>10	4.55 <u>4.353</u>
	For class 1(B) firms: the fee calculated as for class 1(C) firms above, less 15%. For class 1(A) firms: the fee calculated as for class 1(C) firms above, less 50%.	
A.9	Band Width (£million of Gross Income (GI))	Fee (£/£m or part £m of GI)
	>1	973.26 <u>937.33</u>

A.10	Band Width (No. of traders)	Fee (£/person)
	>1	6,697.26 <u>6,917.74</u>
	For <i>firms</i> carrying on <i>auction regulation bidding</i> , the fee in A.10 is calculated as above less 20% for each trader that carries on <i>auction regulation bidding</i> but not <i>MiFID business bidding</i> or <i>dealing in investments as principal</i> .	
A.13	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	2.443 <u>2.494</u>
A.14	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	1.548 <u>1.414</u>
A.18	Band Width (£ thousands of Annual Income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	11.337 <u>10.072</u>
A.19	Band Width (£ thousands of Annual Income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	1.662 <u>1.693</u>
A.21	<i>Client money</i>	
	Band Width (£ <i>client money</i>) (CM) held	Fee (£/£ millions or part £ million of CM)
	less than £1 million	102.80 <u>108.70</u>
	an amount equal to or greater than £1 million but less than or equal to £1 billion	77.10 <u>81.53</u>
	more than £1 billion	51.40 <u>54.35</u>
	PLUS	
	<i>Safe custody assets</i>	

	Band Width (£ <i>safe custody assets</i>) (CA) held	Fee (£/£ millions or part £ million of CA)
	less than £10 million	0.4460 <u>0.374</u>
	an amount equal to or greater than £10 million and less than or equal to £100 billion	0.3345 <u>0.2805</u>
	more than £100 billion	0.2230 <u>0.187</u>
A.22	Band Width (No. of <i>appointed representatives</i>)	Fee (£/ <i>appointed representative</i>)
	>0	250 <u>266.00</u> for <i>appointed representatives</i> other than <i>introducer appointed representatives</i>
	>0	75 <u>80.00</u> for <i>introducer appointed representatives</i>
...		
B. Service Companies	Band Width	Fee (£)
	Annual income up to and including £100,000	1,132 <u>1,202.00</u>
	PLUS:	
	Band width	Fee (£/£thousand or part £ thousand of income)
	Annual income over £100,000	1.19 <u>0.80</u>
B. Regulated benchmark administrators	Band width	Fee (£)
	Annual income up to and including £100,000	1,151 <u>1,222.00</u>

	PLUS:	
	Band width	Fee (£/£ thousand or part £ thousand of income)
	Annual income over 100,000	2.00 <u>1.46</u>
B. Recognised investment exchanges	Band width	Fee (£)
	Annual income up to and including £10,000,000	109,304 <u>116,081.00</u>
	PLUS:	
	Band width	Fee (£/£ thousand or part £ thousand of income)
	Annual income over £10,000,000	3.44 <u>2.63</u>
B. Recognised auction platforms	58,266 <u>61,878.00</u>	
B. Recognised overseas investment exchanges	62,424 <u>66,294.00</u>	
B. MTF and OTF operators	Band width	Fee (£)
	Annual income up to and including £100,000	1,151 <u>1,222.00</u>
	PLUS:	
	Band width	Fee (£/£ thousand or part £ thousand of income)
	Annual income over £100,000	2.32 <u>2.27</u>
CC1. Credit-related regulated activities with	Band Width (£ thousands of annual income (AI))	Fee (£)

limited permission	0 - 10	500 <u>350</u>
	>10 - 100	800 <u>700</u>
	>100	1,100 <u>1,000</u>
	PLUS:	
		Fee (£/£ thousand or part £ thousand of AI)
	>250	0.50 <u>0.534</u>
CC2. Credit-related regulated activities	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	0 - 50	1,500 <u>1,000</u>
	>50 - <u>100</u>	1,750 <u>1,250</u>
	<u>>100</u>	<u>1,500</u>
	PLUS:	
		Fee (£/£ thousand or part £ thousand of AI)
	>250	1.40 <u>1.495</u>
	...	
CMC.	Band width (£ thousands of annual turnover)	Fee (£)
	0-50	500 <u>531.00</u>
	50-100	1,000 <u>1,062.00</u>
	>100	3.35 <u>8.52</u> per £ thousand or part per £ thousand
Part 2		
...		

Part 2(a) tariff rates (minimum fees) payable to the FCA by FCA- authorised persons			
A.0	(1)	£1,750 <u>£1,500</u> unless it is a <i>community finance organisation</i> with a tariff base of:	
		(a)	up to and including 3 mortgages and/or <i>home finance transactions</i> , in which case a minimum fee of £176 <u>£187</u> is payable; or
		(b)	more than 3 but no more than 10 mortgages and/or <i>home finance transactions</i> , in which case a minimum fee of £597 <u>£634</u> is payable; or
		(c)	more than 10 but no more than 50 mortgages and/or <i>home finance transactions</i> , in which case a minimum fee of £1,106 <u>£1,175</u> is payable.
	...		
AP.0	Periodic fees payable under fee blocks A.2, A.7 to A.19, A.21, A23 and CC.2 in Part 1 multiplied by rate £0.1055 <u>£0.10193</u>		

Part 2(b) tariff rates (minimum fees) payable to the FCA by PRA- authorised persons				<u>Fee</u>
A.0	(1)	£574 unless ÷	<u>Any PRA- authorised person except as set out in (2) and (3)</u>	<u>£750</u>
		(a)	It is a <i>credit union</i> that meets the conditions in (2), in which case the minimum fee payable is as set out in (2); <u>[deleted]</u>	
		(b)	it is a <i>non-directive friendly society</i> that falls into the A.3 activity group but not the A.4 activity group and has, for that activity, 0.5 million or less in gross written premium for fees purposes and holds best estimate liabilities for fees purposes of 1.0 million or less, in which case the minimum fee payable is <u>£247; or [deleted]</u>	
		(c)	it is a <i>non-directive friendly society</i> that falls into the A.4 activity group but not the A.3 activity group and has, for that activity, written 1.0 million or less in gross written premium for fees purposes and holds best estimate liabilities for fees purposes of 1.0	

			million or less, in which case the minimum fee payable is £247; or [deleted]			
		(d)	it is a <i>non-directive friendly society</i> that falls into the A.3 and A.4 activity groups and meets the conditions in (3)(a) and (3)(b), in which case the minimum fee payable is £247. [deleted]			
	(2)	The conditions referred to in (1)(a) are that the <i>credit union</i> has a <u>with a tariff base</u> (Modified Eligible Liabilities) of:				
		(a)	0 to 0.5million, in which case a minimum fee of £92 is payable; or £0 to £0.5million			<u>£97</u>
		(b)	greater than 0.5million but less than 2.0million, in which case a minimum fee of £310 is payable. £0.5million to £2.0million			<u>£327</u>
		(c)	above £2 million.			<u>£606</u>
	(3)	The conditions referred to in (1)(d) are that: <i>Non-directive friendly society</i> that meets the criteria of one of the following categories (a) to (c):				
		(a)	the <i>non-directive friendly society</i> falls into the A.3 activity group and has, for that activity, 0.5 million or less in gross written premium for fees purposes and holds best estimate liabilities for fees purposes of 1.0 million or less;			
		(b)	the <i>non-directive friendly society</i> falls into the A.4 activity group and has, for that activity, written 1.0 million or less in gross written premium for fees purposes and holds best estimate liabilities for fees purposes of 1.0 million or less.			
			<u>Activity group the firm falls into</u>	<u>Gross written premium for fees purposes for that activity</u>	<u>Best estimate liabilities for fees purposes for that activity</u>	
		(a)	<u>A.3 but not A.4</u>	<u>£0.5 million or less</u>	<u>Up to £1 million or less</u>	<u>£261</u>

		(b)	<u>A.4 but not A.3</u>	<u>£1 million or less</u>	<u>£1 million or less</u>	<u>£261</u>
		(c)	<u>Both A.3 and A.4</u>			
			<u>A.3</u>	<u>£0.5 million or less</u>	<u>£1 million or less</u>	<u>£261</u>
			<u>A.4</u>	<u>£1 million or less</u>	<u>£1 million or less</u>	<u>£261</u>
The figures for gross written premium for fees purposes and best estimate liabilities for fees purposes are the same as used for Part 1 of this Annex.						

...

4 Annex 4R Periodic fees in relation to collective investment schemes, AIFs marketed in the UK, small registered UK AIFMs and money market funds payable for the period 1 April ~~2021~~ 2022 to 31 March ~~2022~~ 2023

Part 1 – Periodic fees payable

Scheme type	Basic fee (£)	Total funds/sub-funds aggregate	Fund factor	Fee (£)
<i>ICVC,</i>	350.00	1-2	1	350.00 <u>324.00</u>
<i>AUT,</i>	324.00	3-6	2.5	875.00 <u>810.00</u>
<i>ACS,</i>		7-15	5	1,750.00 <u>1,620</u>
<i>LTIFs,</i>		16-50	11	3,850.00 <u>3,564.00</u>
Money market funds with effect from 21 July 2018		>50	22	7,700.00 <u>7,128.00</u>
<i>non-UK AIFs recognised under section 272 of the Act</i>	1,425.00	1-2	1	1,425.00 <u>1,320.00</u>
		3-6	2.5	3,562.50 <u>3,300.00</u>
	<u>1,320.00</u>	7-15	5	7,125.00 <u>6,600.00</u>

		16-50	11	15,675.00 <u>14,520.00</u>
		>50	22	31,350.00 <u>29,040.00</u>

...

Part 2 – Periodic fees for *AIFs* marketed in the *UK*, following a notification to the *FCA* under regulation 57, 58 or 59 of the *AIFMD UK regulation*

Kind of notification	Fee per <i>AIF</i> (£)
Notification under regulation 57 of the <i>AIFMD UK regulation</i>	344 <u>365</u>
Notification under regulation 58 of the <i>AIFMD UK regulation</i>	240 <u>255</u>
Notification under regulation 59 of the <i>AIFMD UK regulation</i>	344 <u>365</u>

Part 3 – Periodic fees paid by *small registered UK AIFMs*

The annual fee for <i>small registered UK AIFMs</i> is £676 <u>£718</u>
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4 Annex 5R Periodic fees for designated professional bodies: tariff base, valuation date and tariff rates

Part 1

...

Part 2

This table sets out the tariff rates applicable to *designated professional bodies*

Fee payable in relation to 2021/22 <u>2022/23</u>	Amount payable
Minimum fee, payable by all <i>designated professional bodies</i>	£10,000 <u>£10,620</u>
Variable fee, payable by <i>designated professional bodies</i> where the number of <i>exempt professional firms</i> regulated or supervised by a <i>designated professional body</i> is greater than 1	£22.80 22.40 multiplied by the total number of <i>exempt professional firms</i> in excess of 1

Note

The *Financial Services Register* includes details of *exempt professional firms* carrying out *insurance distribution activity*.

...

4 **Periodic fees in respect of payment services, electronic money issuance, regulated covered bonds, CBTL business, data reporting services and third party verifiers in relation to the period 1 April ~~2021~~ 2022 to 31 March ~~2022~~ 2023**
Annex 11R

This Annex sets out the periodic fees in respect of *payment services* carried on by *fee-paying payment service providers* under the *Payment Services Regulations* and electronic money issuance by *fee-paying electronic money issuers* under the *Electronic Money Regulations* and issuance of *regulated covered bonds* by issuers and *CBTL business* carried on by *CBTL firms* under the *MCD Order* and *data reporting services providers* under the *DRS Regulations*.

...

Part 5 – Tariff rates		
Activity group	Fee payable in relation to 2021/22 <u>2022/23</u>	
G.2	Minimum fee (£)	525 <u>558</u>
	£ million or part £m of Modified Eligible Liabilities (MELS)	Fee (£/£m or part £m of MELS)
	> 0.1	0.499 <u>0.340</u>
G.3	Minimum fee (£)	525 <u>558</u>
	£ thousands or part thousand of Relevant Income	Fee (£/£thousand or part £thousand of Relevant Income)
	> 100	0.335 <u>0.454</u>
G.4	Flat fee (£)	545 <u>579</u>
G.5	As in G.3	
G.10	Minimum fee (£)	1,726 <u>1,833</u>
	£million or part m of average outstanding electronic money (AOEM)	Fee (£/£m, or part £m of AOEM)
	>5.0	35.00 <u>12.80</u>

G.11	Flat fee (£)	4,198 <u>1,272</u>
G.15	Minimum fee for the first registered <i>programme</i> (£)	95,189 <u>98,265</u>
	Minimum fee for all subsequent registered <i>programmes</i>	75% of minimum fee for first registered <i>programme</i>
	£million or part £m of <i>regulated covered bonds</i> issued in the 12 months ending on the valuation date.	Fee (£/£m or part £m of <i>regulated covered bonds</i> issued in the 12 months ending on the valuation date)
	>0.00	17.52 <u>18.26</u>
	...	
G.20	Flat fee (£)	442 <u>469</u>
G.21	Flat fee (£)	220 <u>234</u>
G.25	Flat fee (£) for first <i>data reporting service</i> plus 50% flat fee for each additional <i>data reporting service</i> for which the <i>data reporting services provider</i> has authorisation.	27,326 <u>29,020</u>
G.26 TPV	<u>Flat fee (£)</u>	265 <u>281</u>
	...	

...

4 UKLA periodic fees for the period from 1 April ~~2021~~ 2022 to 31 March ~~2022~~
Annex 2023
14R

Part 1 Base fee		
Activity group or invoice code (Note 1)	Description	Base fee payable (£)
E.1	Discontinued	
E.2	Premium listed issuer A <i>listed issuer</i> of <i>equity shares</i> and <i>certificates</i>	5,686 <u>6,037</u>

		<i>representing shares with a premium listing (see Note 2)</i>	
E.3	Standard listed issuer	<i>A listed issuer of shares and certificates representing certain securities with a standard listing and not with a premium listing (see Note 2)</i>	21,536 <u>22,871</u>
E.4	Discontinued		
E.5	Discontinued		
E.6	Non-listed issuer (in DTR)	<i>A non-listed issuer (in DTR)</i>	0
E.7	Primary information provider	<i>A primary information provider</i>	17,973 <u>19,087</u>
ES.01	Sponsor	<i>A sponsor (see Note 3)</i>	29,938 <u>31,794</u>
...			
Part 2 Variable fee additional to base fee			
Activity Group		Market capitalisation as at the last <i>business day</i> of the September prior to the <i>fee-year</i> in which the fee is payable in £million	Fee payable in £per £million or £part million
E.2	Premium listed issuer (as described in Part 1)	0 – 100	0
		> 100 – 250	37.335163 <u>33.302966</u>
		> 250 – 1,000	14.405007 <u>12.849266</u>
		> 1,000 – 5,000	8.866872 <u>7.909250</u>
		> 5,000 – 25,000	0.216289 <u>0.192930</u>
		> 25,000	0.069878 <u>0.062331</u>

4
Annex
15R

Fees relating to the recognition of benchmark administrators and the endorsement of benchmarks for the period 1 April ~~2020~~ 2022 to 31 March ~~2021~~ 2023

Activity group	Fee payable
<i>A third country legal representative</i>	£13,571 £14,412
<i>A benchmark endorser</i>	£7,959 £8,452

4 Annex 16R Periodic fees for credit rating agencies, trade repositories and securitisation repositories

This Annex sets out the periodic fees in respect of *credit rating agencies, trade repositories and securitisation repositories*.

...		
Part 4 – Tariff rates		
Fee block	Activity group	Fee payable in relation to the fee year 2021/2022 <u>2022/2023</u>
J.1	Registered <i>credit rating agencies</i> and third country certified credit rating agencies with applicable turnover of £8,994m <u>£8,399m</u> or less	Exempt
	Registered <i>credit rating agencies</i> with turnover above £8,994m <u>£8,399m</u>	£3.95 <u>£1.99</u> per £1k or part-£1k (applies to all turnover)
	Certified <i>credit rating agencies</i> with turnover above £8,994m <u>£8,399m</u>	£5,396 <u>£5,039</u>
J.2	Registered <i>trade repositories</i>	£19.88 <u>£10.54</u> per £1k or part-£1k, subject to a minimum payment of £26,982 <u>£25,197</u>
	Recognised <i>trade repositories</i>	£4,497 <u>£4,199</u>
J.3	Registered <i>securitisation repositories</i>	£19.88 <u>£10.54</u> per £1k or part-£1k subject to a minimum payment of £26,982 <u>£25,197</u>

4A Temporary Permissions Regime (TPR) and Financial Service Contracts Regime (FSCR) – periodic fees

...

4A TP persons periodic fees for the period from 1 April ~~2021~~ 2022 to 31 March
Annex ~~2022~~ 2023
1R

Part 1

Activity group	Fee payable	
A.1	Band Width (£ million of Modified Eligible Liabilities (MELs))	Fee (£/£m or part £m of MELs)
		General Periodic fee
	>10 – 140	14.5772 <u>14.526</u>
	>140 – 630	14.5772 <u>14.526</u>
	>630 – 1,580	14.5772 <u>14.526</u>
	>1,580 – 13,400	18.222 <u>18.158</u>
	>13,400	24.052 <u>23.968</u>
A.2	Band Width (no. of mortgages and/or <i>home finance transactions</i>)	Fee (£/mortgage)
	>50	2.816 <u>2.877</u>
A.3	Gross written premium for fees purposes (GWP)	Periodic fee
	Band Width (£ million of GPI <u>GWP</u>)	Fee (£/£m or part £m of GWP)
	>0.5	365.89 plus, where neither the <i>firm</i> , nor a member of its <i>group</i> , was a defendant in <i>Financial Conduct Authority v Arch Insurance (UK) Ltd and others</i> [2020] EWCA Comm 2448, 110.63 <u>351.76</u>
	PLUS	
	Best estimate liabilities for fees purposes (BEL)	General Periodic fee

	Band Width (£ million of BEL)	Fee (£/£m of part £m of BEL)
	>1	18.90 plus, where neither the <i>firm</i> , nor a member of its <i>group</i> , was a defendant in <i>Financial Conduct Authority v Arch Insurance (UK) Ltd and others</i> [2020] EWCA Comm 2448, 6.15 <u>19.17</u>
A.4	Gross written premium for fees purposes (GWP)	General Periodic fee
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>1	224.27 <u>220.78</u>
	PLUS	
	Best estimate liabilities for fees purposes	General Periodic fee
	Band Width (£ million of BEL)	Fee (£/£m or part £m of BEL)
	>1	12.89 <u>12.55</u>
A.7	For class 1(C), (2), (3) and (4) <i>firms</i> :	
	Band Width (£ million of Funds under Management (FuM))	Fee (£/£m of part £m of FuM)
	>10	4.55 <u>4.353</u>
	Class 1 (C) firms are defined in <i>FEES</i> 4 Annex 1A	
A.9	Band Width (£ million of Gross Income (GI))	Fee (£/£m of part £m of GI)
	>1	973.26 <u>937.33</u>
A.10	Band Width (no. of traders)	Fee (£/trader)
	>1	6,697.26 <u>6,917.74</u>
A.13	For class (2) firms	
	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	2.443 <u>2.494</u>
	For a <i>professional firm</i> in A.13 the fee is calculated as above less 10%.	

A.14	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	> 100	1.548 <u>1.414</u>
A.19	Band Width (£ thousands of Annual Income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	1.662 <u>1.693</u>
CC.2	Band Width (£ thousands of annual income (AI))	Fee (£)
	0 – 50	1,500
	>50 – 100	1,750
	>100	1,750
	PLUS:	
		Fee (£/£ thousand or part £ thousand of AI)
	>250	1.40 <u>1.495</u>

Part 2

The table below shows the tariff rates (minimum fees) applicable to each of the fee blocks set out in Part 1 of *FEES* 4A Annex 1R other than fee-block CC2.

Activity group	Fee payable
A.0	£1,151 <u>£1,750</u> unless it is a <i>TP firm</i> that also pays minimum fees set out in the PRA Rulebook, in which case it is £574 <u>£875</u> .

Part 3

TA PI firm or *TA RAISP firm*

Activity group	Fee payable	
G.2	Minimum fee (£)	525 <u>558</u>
	£ million or part £ million of Modified Eligible Liabilities (MELs)	Fee (£/£m or part £m of MELs)
	>0.1	0.499 <u>0.340</u>

G.3	Minimum fee (£)	525 <u>558</u>
	£ thousands or part £ thousand of Relevant Income	Fee (£/£thousand or part £ thousand of Relevant Income)
	>100	0.335 <u>0.454</u>

Part 4*TA EMI firms*

Activity group	Fee payable	
G.10	Minimum fee (£)	1,726 <u>1,833</u>
	£ million or part £ million of average outstanding electronic money (AOEM)	Fee (£/£m or part £m of AOEM)
	>5.0	35.00 <u>12.80</u>

4A **TPR funds periodic fees for the period from 1 April ~~2021~~ 2022 to 31 March**
Annex **2022 2023**
2R

Part 1

Scheme type	Basic fee (£)	Total funds/sub-funds aggregate	Fee (£)
<i>EEA UCITS</i> scheme recognised under Part 6 of The Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2018	350.00 <u>324.00</u>	1-2	350.00 <u>324.00</u>
		3-6	875.00 <u>810.00</u>
		7-15	1,750.00 <u>1,620.00</u>
		16-50	3,850.00 <u>3,564.00</u>
		>50	7,700.00 <u>7,128.00</u>
Note: Schemes are charged according to the number of funds or sub-funds which a TP firm is operating and marketing in the UK as at 31 March immediately before the			

start of the period to which the fee applies. For example, for 2019/20 fees a reference to 31 March means 31 March 2019.

Part 2

Scheme type	Fee (£)
<i>EEA AIF, EuVECA, EuSEF, or EEA ELTIF LTIF</i> which may be marketed in the <i>UK</i> under Part 9A of The Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2018	344 365

...

5 Financial Ombudsman Service Funding

...

5 Annual General Levy Payable in Relation to the Compulsory Jurisdiction for Annex 2021/22 2022/23 1R

Introduction: annual budget

1. The *annual budget* for ~~2021/22~~ 2022/23 approved by the *FCA* is ~~£260.2m~~ £291.7m.

2. The total amount expected to be raised through the *general levy* in ~~2021/22~~ 2022/23 will be ~~£96.0m~~ £106m.

Compulsory jurisdiction - general levy

Industry block	Tariff base	General levy payable by firm
1-Deposit acceptors, <i>home finance providers, home finance administrators</i> (excluding <i>firms</i> in block 14) and <i>dormant account fund operators</i>	Number of accounts relevant to the activities in <i>DISP</i> 2.6.1R as at 31 December In the case of <i>dormant account fund operators</i> , the tariff base is the number of eligible activated accounts (8).	£0.12010 <u>£0.150</u> per relevant account, subject to a minimum levy of £100

2-Insurers - general (excluding <i>firms</i> in blocks 13 & 15)	Gross written premium for fees purposes (GWP) as defined in <i>FEES</i> 4 Annex 1AR; or Relevant gross written premium (RGWP) notified to the <i>FCA</i> under <i>FEES</i> 5.4.1R(1A).	£ 0.414 <u>£0.434</u> per £1,000 of GWP or RGWP, subject to a minimum levy of £100
3-The <i>Society</i> (of Lloyd's)	Not applicable	£ 94,255 <u>£104,739</u> to be allocated by the <i>Society</i>
4. Insurers - life (excluding <i>firms</i> in block 15)	Gross written premium for fees purposes (GWP) as defined in <i>FEES</i> 4 Annex 1AR; or Relevant gross written premium (RGWP) notified to the <i>FCA</i> under <i>FEES</i> 5.4.1R(1A).	£ 0.0334 <u>£0.0509</u> per £1,000 of GWP or RGWP, subject to a minimum levy of £130
5. Portfolio managers (including those holding <i>client money/assets</i> and not holding <i>client money/assets</i>)	Flat fee	Levy of £210
6. Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes	Flat fee	Levy of £60
7. Dealers as principal	Flat fee	Levy of £75
8-Advisors, <i>arrangers</i> , dealers or brokers holding and controlling <i>client money</i> and/or assets	Annual income as defined in <i>FEES</i> 4 Annex 11A relating to <i>firm's relevant business</i> .	£ 0.466 <u>£0.592</u> per £1,000 of annual income subject to a minimum fee of £45

9-Advisors, <i>arrangers</i> , dealers or brokers not holding and controlling <i>client money</i> and/or assets	Annual income as defined in <i>FEES</i> 4 Annex 11A relating to <i>firm's relevant business</i> .	£ 0.330 <u>£0.42</u> per £1,000 of annual income subject to a minimum fee of £45
10-Corporate finance advisers	Flat fee	Levy of £55
11- <i>fee-paying payment service providers</i> (but excluding <i>firms</i> in any other Industry block except Industry block 18)	For <i>authorised payment institutions, registered account information service providers, electronic money issuers</i> (except for <i>small electronic money institutions</i>), the Post Office Limited, the Bank of England, government departments and local authorities, and <i>TA EMI firms, TA PI firms</i> and <i>TA RAISP firms</i> , relevant income as described in <i>FEES</i> 4 Annex 11 Part 3.	£ 0.0039 <u>£0.0044</u> per £1,000 of relevant income subject to a minimum levy of £75
	For <i>small payment institutions</i> and <i>small electronic money institutions</i> a flat fee.	Levy of £35
13-Cash plan health providers	Flat fee	Levy of £65
14- <i>Credit unions</i>	Flat fee	Levy of £55
15- <i>Friendly societies</i> whose tax-exempt business represents 95% or more of their total relevant business	Flat fee	Levy of £65
16- <i>Home finance providers, advisers and arrangers</i> (excluding <i>firms</i> in blocks 13, 14 & 15)	Flat fee	Levy of £85

17 - General insurance distribution (excluding firms in blocks 13, 14 & 15)	Annual income (as defined in MIPRU 4.3) relating to firm's relevant business	£0.796 <u>£0.857</u> per £1,000 of annual income (as defined in MIPRU 4.3) relating to firm's relevant business subject to a minimum levy of £100
18 - fee-paying electronic money issuers	For all fee-paying electronic money issuers except for small electronic money institutions, and TA EMI firms, average outstanding electronic money, as described in FEES 4 Annex 11 Part 3.	£0.0001 per £1,000 of average outstanding electronic money subject to a minimum levy of £40
	For small electronic money institutions, a flat fee	Levy of £50
19 - Credit-related regulated activities with limited permission	For not-for-profit debt advice bodies, a flat fee	Levy of £0
	For all other firms with limited permission, a flat fee	Levy of £35
20 - Credit-related regulated activities	Annual income as defined in FEES 4 Annex 11BR	Levy of £35 Plus £1.177 <u>£1.181</u> per £1,000 of annual income on income above £250,000
21 - CBTL firms that do not have permission to carry out any regulated activities	Flat fee	Levy of £35
22 - designated credit reference agencies (but excluding firms in any other industry block)	Flat fee	Levy of £75
23 – designated finance platforms (but excluding firms in any other industry block)	Flat fee	Levy of £75

24 <i>claims management companies</i>	Annual income	Levy of £50 plus £1.45 <u>£1.20</u> per £1,000 of annual income
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7A SFGB levies

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7A SFGB money advice levy for the period from 1 April ~~2021~~ 2022 to 31 March 2022 2023
Annex 1R

Part 1

This table shows the *SFGB money advice levy* applicable to each activity group (fee-block).

Activity group	SFGB money advice levy payable	
A.1	Band Width (£ million of Modified Eligible Liabilities (MELs))	Fee (£/£m or part £m of MELs)
	>10	1.114 <u>0.949</u>
A.2	Band Width (no. of mortgages and/or <i>home finance transactions</i>)	Fee (£/mortgage)
	>50	0.601 <u>0.449</u>
A.3	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>0.5	26.73 <u>21.38</u>
	PLUS	
	Best estimate liabilities for fees purposes (BEL)	
	Band Width (£ million of BEL)	Fee (£/£m of part £m of BEL)

	>1	1.47 <u>1.24</u>
A.4	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>1	12.85 <u>12.77</u>
	PLUS	
	Best estimate liabilities for fees purposes (BEL)	
	Band Width (£ million of BEL)	Fee (£/£m or part £m of BEL)
	>1	0.74 <u>0.726</u>
A.5	Band Width (£ million of Active Capacity (AC))	Fee (£/£m or part £m of AC)
	>50	0.00
A.6	Flat levy	0.00
A.7	For class 1(c), (2), (3) and (4) <i>firms</i> :	
	Band Width (£ million of Funds under Management (FuM))	Fee (£/£m of part £m of FuM)
	>10	0.105 <u>0.0840</u>
	For class 1(B) <i>firms</i> : the fee calculated as for class 1(C) <i>firms</i> above, less 15%.	
	For class 1(A) <i>firms</i> : the fee calculated as for class 1(C) <i>firms</i> above, less 50%.	
	Class 1(A), (B) and (C) <i>firms</i> are defined in FEES 4 Annex 1AR.	
A.9	Band Width (£ million of Gross Income (GI))	Fee (£/£m of part £m of GI)
	>1	80.64 <u>96.57</u>

A.10	Band Width (no. of traders)	Fee (£/trader)
	>1	149.02 <u>125.43</u>
A.13	For class (2) firms	
	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	0.0515 <u>0.0487</u>
	For a <i>professional firm</i> in A.13 the fee is calculated as above less 10%.	
A.14	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	0.024 <u>0.0186</u>
A.18	Band Width (£ thousands of Annual Income (AI))	Fee ((£/£ thousand or part £ thousand of AI)
	>100	0.177 <u>0.135</u>
A.19	Band Width (£ thousands of Annual Income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	0.0289 <u>0.0215</u>
A.21	Band Width (£ <i>client money</i>) (CM) held	Fee (£/£ millions or part £m of CM)
	less than £1 million	1.602 <u>1.296</u>
	an amount equal to or greater than £1 million but less than or equal to £1 billion	1.202 <u>0.972</u>
	more than £1 billion	0.801 <u>0.648</u>
	PLUS	
	<i>Safe custody assets</i>	
	Band Width (£ <i>safe custody assets</i>) (CA) held	Fee (£/£ millions or part £m of CA)
	less than £10 million	0.0069 <u>0.0045</u>

	an amount equal to or greater than £10 million and less than or equal to £100 billion	0.0052 <u>0.0034</u>
	more than £100 billion	0.0035 <u>0.0023</u>
G.3	Minimum fee (£)	10
	£ thousands or part £ thousand of Relevant Income	Fee (£/£thousand or part £ thousand of Relevant Income)
	>100	0.0230 <u>0.0262</u>
G.4	Flat fee (£)	10
G.10	Minimum fee (£)	10
	£ million or part £m of average outstanding electronic money (AOEM)	Fee (£/£m or part £m of AOEM)
	>5.0	2.62 <u>2.472</u>
G.11	Flat fee (£)	10
CC.1	Minimum fee (£)	10
	£ thousand of annual income (AI)	Fee (£/£ thousand or part £ thousand of AI)
	>250	0.0691 <u>0.1004</u>
CC.2	Minimum fee (£)	10
	£ thousands of annual income (AI)	Fee (£/£ thousand or part £ thousand of AI)
	>250	0.0691 <u>0.1004</u>
Notes		
(1) The definitions of fee-blocks G5 and G10 under Part 2 and Part 2A of <i>FEES 4 Annex 11R</i> are modified, for the purposes of <i>FEES 7A</i> so that they exclude the Bank of England, government departments, local authorities, municipal banks and the National Savings Bank.		
(2) The definitions of those fee-blocks are further amended to exclude <i>EEA firms</i> and those which hold a <i>Part 4A permission</i> .		

Part 2	
(1)	This part sets out the minimum <i>SFGB money advice levy</i> applicable to the <i>firms</i> specified in (3) below.
(2)	The minimum <i>SFGB money advice levy</i> payable by any <i>firm</i> referred to in (3) is £10.
(3)	A <i>firm</i> is referred to in this paragraph if it falls within the following activity groups: A.1; A.2; A.3 (excluding <i>UK ISPVs</i>); A.4; A.5; A.7; A.9; A.10; A.12; A.13; A.14; A.18; A.19; G.3 and G.10.

**7A SFGB debt advice levy for the period from 1 April ~~2021~~ 2022 to 31
Annex March ~~2022~~ 2023
2R**

...

Part 4

This table shows the tariff rates applicable to each of the fee-blocks set out in Part 1

Activity group	SFGB debt advice levy payable	
A.2 Home finance providers and administrators	Band width (£million of secured debt) >0	Fee (£/£m or part £m of secured debt) 28.88 <u>26.15</u>
CC.3 Consumer credit lending	Band width (£million of value of lending) >0 (Note 1)	Fee (£/£m or part £m of value of lending) 163.44 <u>167.76</u>
Notes		
(1) <i>Credit unions</i> and <i>community finance organisations</i> do not pay any <i>SFGB debt advice levy</i> on the first £2,000,000 of value of lending.		
(2) The additional fee in column 4 must be paid in addition to the fee in column 3.		

**7A SFGB pensions guidance levy for the period 1 April ~~2021~~ 2022 to 31 March
Annex ~~2022~~ 2023
3R**

Activity group	SFGB pensions guidance levy payable	
A.1	Band width (£ million of modified eligible liabilities (MELs)) >10	Fee (£/£m or part £m of MELS) 1.337 <u>3.239</u>
A.4	Band width (£ million of gross written premium for fees purposes (GWP) >1	Fee (£/£m or part £m of GWP) 37.80 <u>90.49</u>
A.7	For class 1(B), 1 (C), (2) and (3) firms: Band width (£ million of funds under management (FuM)) >10	Fee (£/£m or part £m of FuM) 0.4363 <u>1.0201</u>
A.9	Band width (£ million of gross income (GI)) >1	Fee (£/£m or part £m of GI) 310.37 <u>574.63</u>
A.13	Band width (£ thousands of annual income (AI)) >100	Fee (£/£ thousand or part of £ thousand of AI) 0.0779 <u>0.1682</u>

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7B The DA levy

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7B DA levy for the period from 1 April ~~2021~~ 2022 to 31 March ~~2022~~ 2023**Annex****1R**

...

Part 4

This table shows the tariff rates applicable to each of the fee-blocks set out in Part 1.

Activity group	DA levy payable	
A.2 Home finance providers and administrators	Band width (£million of secured debt) >0	Fee (£/£m or part £m of secured debt) 4.748 <u>3.791</u>
CC.3 Consumer credit lending	Band width (£million of value of lending) >0 (Note 1)	Fee (£/£m or part £m of value of lending) 26.88 <u>24.33</u>
Notes Note: <i>Credit unions and community finance organisations do not pay any DA levy on the first £2,000,000 of value of lending.</i>		

7C Temporary Permissions Regime (TPR) and Financial Service Contracts Regime (FSCR) – Single Financial Guidance Body Levy

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7C TPR SFGB money advice levy for the period from 1 April ~~2021~~ 2022 to 31 March ~~2022~~ 2023
Annex 1R

This table shows the *TPR SFGB money advice levy* applicable to each activity group (fee-block).

Activity group	TPR SFGB money advice levy payable	
Part 1 <i>TP firms</i>		
A.1	Band Width (£ million of Modified Eligible Liabilities (MELs))	Fee (£/£m or part £m of MELs)
	>10	1.114 <u>0.949</u>
A.2	Band Width (no. of mortgages and/or <i>home finance transactions</i>)	Fee (£/mortgage)

	>50	0.601 <u>0.449</u>
A.3	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>0.5	26.73 <u>21.38</u>
	PLUS	
	Best estimate liabilities for fees purposes (BEL)	
	Band Width (£ million of BEL)	Fee (£/£m of part £m of BEL)
	>1	1.47 <u>1.24</u>
A.4	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>1	12.85 <u>12.77</u>
	PLUS	
	Best estimate liabilities for fees purposes (BEL)	
	Band Width (£ million of BEL)	Fee (£/£m or part £m of BEL)
	>1	0.74 <u>0.726</u>
A.7	For class 1(C), (2), (3) and (4) firms:	
	Band Width (£ million of Funds under Management (FuM))	Fee (£/£m of part £m of FuM)
	>10	0.105 <u>0.084</u>
	Class 1(A), (B) and (C) firms are defined in FEES 4 Annex 1AR.	
A.9	Band Width (£ million of Gross Income (GI))	Fee (£/£m of part £m of GI)
	>1	80.64 <u>96.57</u>
A.10	Band Width (no. of traders)	Fee (£/trader)

	>1	149.02 <u>125.43</u>
A.13	For class (2) firms	
	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	0.0515 <u>0.0487</u>
	For a <i>professional firm</i> in A.13 the fee is calculated as above less 10%.	
A.14	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	0.0240 <u>0.0186</u>
A.18	Band Width (£ thousands of Annual Income (AI))	Fee ((£/£ thousand or part £ thousand of AI)
	>100	0.177 <u>0.1350</u>
A.19	Band Width (£ thousands of Annual Income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	0.0289 <u>0.0215</u>
CC.2	Minimum fee (£)	10
	£ thousands of annual income (AI)	Fee (£/£ thousand or part £ thousand of AI)
	>250	0.0691 <u>0.1004</u>
Part 2 TA PI firms and TA RAISP firms		
G.3	Minimum fee (£)	10
	£ thousands or part £ thousand of Relevant Income	Fee (£/£thousand or part £ thousand of Relevant Income)
	>100	0.0230 <u>0.0262</u>
Part 3 TA EMI firms		
G.10	Minimum fee (£)	10
	£ million or part £m of average outstanding electronic money (AOEM)	Fee (£/£m or part £m of AOEM)
	>5.0	2.62 <u>2.472</u>

Part 4

(1) This Part sets out the minimum *TPR SFGB money advice levy* applicable to the *TPR firms* specified in (3) below.

(2) The minimum *TPR SFGB money advice levy* payable by any *firm* referred to in (3) is £10.

(3) A *TP firm* is referred to in this paragraph if it falls within the following activity groups: A.1; A.2; A.3; A.4; A.7; A.9; A.10; A.13; A.14; A.18; and A.19.

7C **TPR SFGB debt advice levy for the period from 1 April ~~2021~~ 2022 to 31**
Annex **March ~~2022~~ 2023**
2R

This table shows the *TPR SFGB debt advice levy* applicable to each activity group (fee-block).

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Part 4

This table shows the tariff rates applicable to each of the fee-blocks set out in Part 1.

Activity group	TPR SFGB debt advice levy payable	
	Band width (£million of secured debt)	Fee (£/£m or part £m of secured debt)
A.2 Home finance providers and administrators	>0	28.88 <u>26.15</u>
CC.3 Consumer credit lending	Band width (£million of value of lending)	Fee (£/£m or part £m of value of lending)
	>0 (Note 1)	163.44 <u>167.76</u>
Note		
(1) <i>Credit unions</i> and <i>community finance organisations</i> do not pay any <i>TPR SFGB debt advice levy</i> on the first £2,000,000 of value of lending.		

7C **TPR SFGB pensions guidance levy for the period 1 April ~~2021~~ 2022 to 31**
Annex **March ~~2022~~ 2023**
3R

This table shows the *TPR SFGB pensions guidance levy* applicable to each activity group (fee-block).

Activity group	TPR SFGB pensions guidance levy payable	
<i>TP firms</i>		
A.1	Band width (£ million of modified eligible liabilities (MELs))	Fee (£/£m or part £m of MELs)
	>10	1.337 <u>3.239</u>
A.4	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>1	37.80 <u>90.49</u>
A.7	For class 1(B), 1 (C), (2) and (3) firms:	
	Band width (£ million of funds under management (FuM))	Fee (£/£m or part £m of FuM)
	>10	0.4363 <u>1.0201</u>
A.9	Band width (£ million of gross income (GI))	Fee (£/£m or part £m of GI)
	>1	310.37 <u>574.63</u>
A.13	Band width (£ thousands of annual income (AI))	Fee (£/£ thousand or part of £ thousand of AI)
	>100	0.0779 <u>0.1682</u>

7D Temporary Permissions Regime (TPR) – Devolved Authorities levy

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7D Annex 1R TPR DA levy for the period from 1 April ~~2021~~ 2022 to 31 March ~~2022~~ 2023

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Part 1

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Part 4

This table shows the tariff rates applicable to each of the fee-blocks set out in Part 1.

Activity group	TPR DA levy payable	
A.2 Home finance providers and administrators	Band width (£ million of secured debt)	Fee (£/£m or part £m of secured debt)
	>0	4.748 <u>3.791</u>
CC.3 Consumer credit lending	Band width (£ million of value of lending)	Fee (£/£m or part £m of value of lending)
	>0 (Note 1)	26.88 <u>24.33</u>
Note (1) <i>Credit unions and community finance organisations</i> do not pay any <i>TPR DA levy</i> on the first £2,000,000 of value of lending.		

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13 Illegal money lending levy

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13 Annex 1R Illegal money lending (IML) levy for ~~2021/22~~ 2022/23

Limited permission (fee-block CC1):	£5 flat rate
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Full authorisation (fee-block CC2):	Up to £250,000 consumer credit income:	£10
	Over £250,000 consumer credit income:	£10 + 0.240 <u>0.270</u> per £1,000

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13A Temporary Permissions Regime (TPR) and Financial Service Contracts Regime (FSCR) - Illegal money lending levy

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13A TPR illegal money lending (IML) levy for ~~2021/22~~ 2022/23
Annex 1R

Activity group	Description	Fee (£)
Activity group CC2. Credit-related regulated activities:	Up to £250,000 consumer credit income:	10
	Over £250,000 consumer credit income:	10 + £0.240 <u>£0.270</u> per £1,000

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App 2 Office for Professional Body Anti-money laundering Supervision fees

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App 2 Periodic fees imposed under Regulation 27 of the OPBAS Regulations: tariff base, review date, tariff rates
Annex 2

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Part 3

This table sets out the tariff rates applicable to **professional body supervisors**.

Fee payable in relation to <u>2021/22</u> <u>2022/23</u>	Amount payable (£)
Minimum fee, payable by all professional body supervisors subject to the OPBAS Regulations .	£5000 <u>£5,310</u>
Variable fee, payable by professional body supervisors where the number of supervised individuals is 6,000 or more.	£32.83 <u>£35.19</u> multiplied by the total number of supervised individuals in excess of the threshold of 6,000. [See Note]
[Note: reference to “the number of supervised individuals” is to those supervised individuals calculated in accordance with Part 1.]	

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App 3 Fees payable by persons registered under the Money Laundering Regulations that are not cryptoasset businesses

App 3.1 Fees for persons registered under the Money Laundering Regulations that are not cryptoasset businesses

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App 3.1.2

(1)	Registration fee:		
	£100		
(2)	Periodic fee:		
	Activity group	Fee-payer falls in the activity group if:	Fee payable in <u>2021/22</u> <u>2022/23</u>
	G.1	it is registered with the <i>FCA</i> under the <i>Money Laundering Regulations</i> or any predecessor legislation and it is not an <i>authorised person</i> or a <i>cryptoasset business</i> or otherwise registered with the <i>FCA</i> .	£1,000 <u>£1,062</u>

[Note: Regulation 102 of the *Money Laundering Regulations*]

App 4 Fees payable by cryptoasset businesses registered under the Money Laundering Regulations

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App 4 Periodic fees payable by cryptoasset businesses registered under the Money Laundering Regulations

[Note: Regulation 102 of the *Money Laundering Regulations*]

(1) This table sets out the tariff base relating to the fee-block for *cryptoasset businesses* registered with the *FCA* under the *Money Laundering Regulations*. The tariff base in this Part is the means by which the *FCA* calculates the annual periodic fee payable to it by a *cryptoasset business* registered with the *FCA* under the *Money Laundering Regulations*.

Fee-block	Fee-payer	Tariff base	Valuation date
G.23	<i>Cryptoasset business</i> registered with the <i>FCA</i> under the <i>Money Laundering Regulations</i>	Annual income, as defined in <i>FEES</i> Appendix 4 Annex 3	The business's financial year ended in the calendar year ending 31 December before the start of the period to which the fee applies

(2) This table sets out the tariff rates applicable to *cryptoasset businesses* registered with the *FCA* under the *Money Laundering Regulations*.

Tariff rates in relation to 2021/22 <u>2022/23</u>	
Fee payable	Amount payable
Minimum fee, payable by all <i>cryptoasset businesses</i>	£ 1 <u>£2,000</u>
Variable fee, payable in addition to the minimum fee, on income above £100,000	£ 1 <u>£4.03</u> per £1,000 or part-£1,000

