

## **Consultation Paper** **CP23/7\*\***

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FCA regulated fees and levies: rates  
proposals for 2023/24

**April 2023**

## How to respond

We are asking for comments on this Consultation Paper (CP) by **11 May 2023**.

You can send them to us using the form on our [website](#).

Or in writing to:

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**Email:**

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## Contents

<b>1.</b>	Summary	3
<b>2.</b>	FCA annual funding requirement and allocation to fee-blocks	7
<b>3.</b>	FCA periodic fees	15
<b>4.</b>	Application fees	24
<b>5.</b>	Fees policy clarifications	25
<b>6.</b>	Financial Ombudsman Service general levy	26
<b>7.</b>	Levies collected on behalf of government departments	33

### Annex 1

Questions in this paper	38
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### Annex 2

Compatibility statement	39
-------------------------	----

### Annex 3

Abbreviations used in this paper	44
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### Appendix 1

Draft Handbook text	
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# Chapter 1

## Summary

### Why we are consulting

- 1.1** This Consultation Paper (CP) enables us to raise regulatory fees and levies in 2023/24 to fund the:
- Financial Conduct Authority (FCA)
  - Financial Ombudsman Service (Ombudsman Service)
  - levies collected on behalf of government departments

### Who this applies to

- 1.2** This document applies to all FCA fee-payers and to any businesses considering applying for FCA authorisation or registration. Table 1.1 sets out the fee-payers likely to be affected by each chapter.

**Table 1.1 Fee-payers likely to be affected by the proposals in this CP**

Issue	Fee-payers likely to be affected	Chapter
FCA periodic fee-rates	All FCA fee-payers	2,3
FCA application fees	All firms authorised or registered by the FCA or considering authorisation or registration	4
Fees policy clarifications	Proxy advisors, credit unions, community finance organisations	5
Financial Ombudsman Service: general levy rates	Firms subject to the Financial Ombudsman Service general levy	6
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)	
Illegal money lending levy	All consumer credit firms (fee-blocks CC.1 and CC.2)	
Economic crime levy	All firms registered with the FCA under the Money Laundering Regulations	

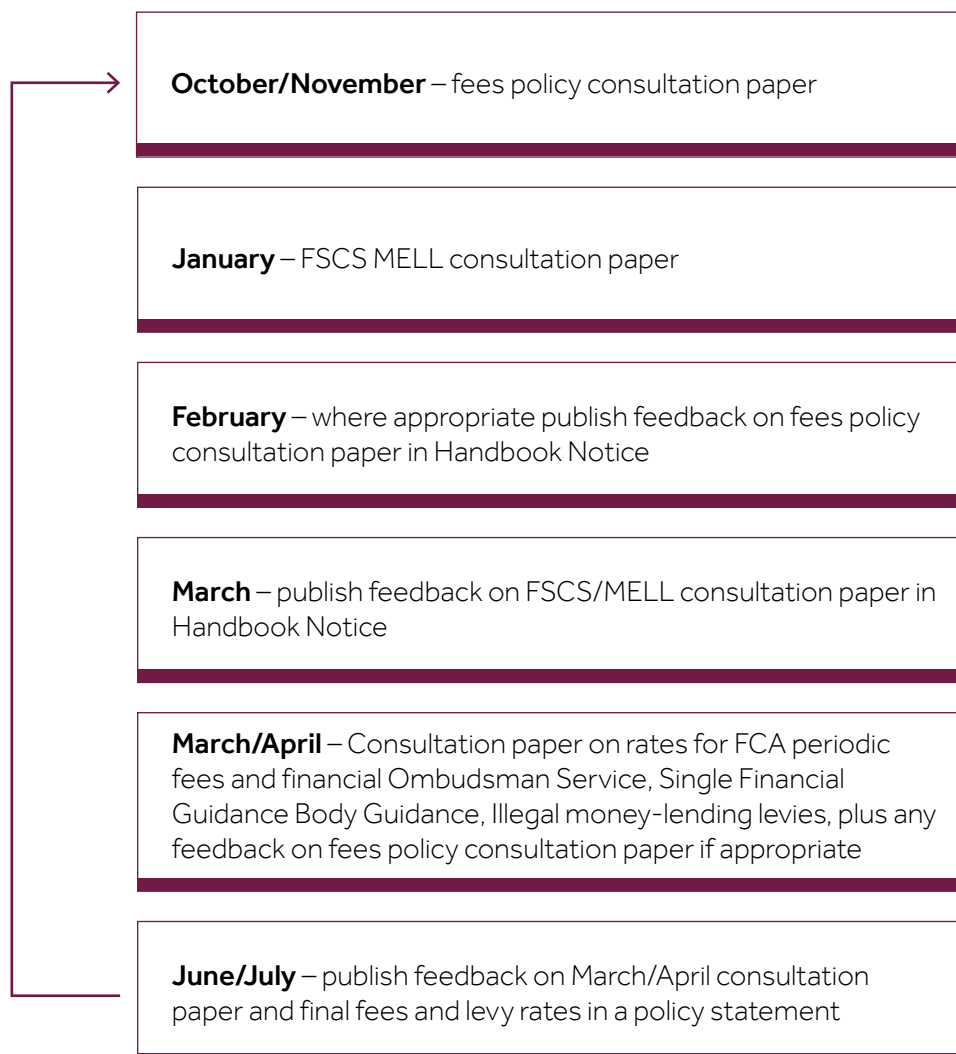
- 1.3** This CP contains no material directly relevant to retail financial services consumers or consumer groups, although our fees are indirectly met by consumers of financial services.

## The wider context

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- 1.4** Our annual fees consultation covers this cycle:

- October-November – we consult on any changes to our policy on how we raise fees and levies. We feedback on the consultation responses in the following February/March Handbook Notice or a policy statement (PS).
- 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 feedback on the consultation responses in the March Handbook Notice.
- 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 Ombudsman Service general levy and levies collected on behalf of government departments for the next financial year.
- June to July – we publish feedback on responses received to the April CP with final fees and levy rates in a PS.



- 1.5** This is our April CP on fee-rates, proposing the fee and levy rates for 2023/24.
- 1.6** We published our October/November fees policy CP on 29 November 2022. Chapter 2 set out our thinking about our approach to this year's consultation on fee-rates. We received 9 responses to that chapter and we discuss the comments made and our feedback in the relevant sections of Chapters 2, 3 and 4 of this consultation.
- 1.7** Chapter 3 of the November CP proposed some changes to the FEES Manual. Our Board made the rules in March and we have published our feedback in a Handbook Notice.

## What we want to change

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### FCA fees for 2023/24

- 1.8** Our 2023/24 Business Plan, which is published alongside this CP, sets out our priorities for the coming year and how we plan to achieve our objectives. To ensure the FCA is adequately resourced to manage its expanding remit, to cover inflationary pressure and to meet the policy opportunity provided by the transfer of previously retained EU financial services law into our regulation, we will be increasing our funding requirement to £684.2m.
- 1.9** We distribute recovery of our costs between fee-payers by putting them in fee-blocks. These group together firms with similar permissions. We allocate our costs between fee-blocks to align them broadly with the costs of regulating those activities and each year we adjust the allocations to reflect additional work that we are undertaking with those groups of firms. The distribution of our costs between fee-blocks is summarised in Table 2.2.
- 1.10** We recognise that many businesses, including those we regulate, are facing cost pressures. We want to ensure our fees are proportionate. As a result, we propose freezing minimum and flat rate fees to ease the pressure on the smallest firms. We are also freezing our application fees this year.
- 1.11** So that firms can assess the impact our proposals will have on them, we provide an online fees calculator which will enable them to model their own fees for 2023/24.
- 1.12** In this consultation:
- Chapter 2 presents our annual funding requirement (AFR) and its allocation across fee-blocks
  - Chapter 3 gives details of the FCA periodic fees
  - Chapter 4 presents FCA application fees

### Financial Ombudsman Service general levy

- 1.13** In Chapter 5 we consult on allocating the Ombudsman Service general levy between industry blocks. The general levy applies to firms covered by the Compulsory

Jurisdiction (CJ) and is raised and collected by the FCA. It is payable by all firms authorised or registered by us, including those that have not had any cases referred to the Ombudsman Service.

## Levies collected on behalf of government departments

**1.14** In Chapter 6, we present the levies we have been directed to collect by government departments:

- Money and Pensions Advice Service levy
- Devolved Authorities debt advice levy
- Illegal money-lending levy
- Economic crime levy

## Next steps

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**1.15** Please consider our proposals and send us your comments on the questions in this CP by 11 May 2023.

**1.16** Use the online [response form](#) or write to us at the address on Page 2.

**1.17** We will consider your comments and publish our feedback, and our rules, in a policy statement in July 2023.

## Equality and diversity considerations

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**1.18** We have considered the equality and diversity issues from our proposals. Overall, we do not consider that they negatively affect any of the groups with protected characteristics under the Equality Act 2010. We will continue to consider the equality and diversity implications of the proposals during the consultation period and will revisit them when publishing the final rules. In the meantime, we welcome any comments on this.

## Chapter 2

# FCA annual funding requirement and allocation to fee-blocks

**2.1** Our business plan sets out our priorities for 2023/24 and how we will further our objectives. Our work is funded through the fees that we collect. In this chapter we explain how we propose to allocate our annual funding requirement (AFR) for 2023/24 across fee-blocks. We explain on our website how we calculate the fee rates once the allocations have been made.

## Annual funding requirement (AFR)

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**2.2** The AFR is made up of 2 parts:

- Ongoing regulatory activities (ORA) budget – the baseline cost of operating the FCA; plus
- Extension of regulatory responsibility projects (described in previous years as scope change projects) and exceptional projects – these recover the costs of additional work we undertake to implement government initiatives and legislation. The costs do not recur beyond the life of the project, and that is why we do not include them within ORA. When non-recurring projects generate permanent resources that are consolidated into ORA, we identify them in the first year, as we are doing with pre-paid funeral plans this year.
  - Extension of regulatory responsibility projects bring new types of firms into our regulatory perimeter. We defer recovery of the costs until we have a full population of authorised fee-payers in place. For example, this year pre-paid funeral plan firms will start paying variable fees, so we are able to start recovering their scope change costs.
  - The exceptional projects affect existing fee-payers. So, we are able to recover our costs as we proceed. For example, this year we are taking forward work on the future regulatory framework (FRF) which will affect all FCA fee-payers. Our work on the FRF in 2023/24 is to progress the transfer of retained EU law to our Handbook, specifically those files included in Tranche 1 and 2 of the transfer as announced by the Treasury on 9 December 2022. We must also operationalise changes to our accountability and obligations as set out in the Financial Services and Markets Bill. This represents a significant amount of policy work. It includes, for example, the secondary international competitiveness and growth objective.

**2.3** Table 2.1 shows the breakdown of our AFR for 2023/24.

**Table 2.1: Comparison of AFR for 2023/24 with AFR for 2022/23**

	Estimated 2023/24	Actual 2022/23	Movement	
	£m	£m	£m	%
ORA baseline budget	664.4	617.4	46.0	7.5%
Minimum fee adjustment (i)	(9.1)	(9.1)	0	0.0%
Appointed representative adjustment (i)	(0.1)	(0.1)	0	0.0%
Extensions of regulatory responsibility	3.7	10.4	(6.7)	(64.4%)
- Pre-paid funeral plans	0.7	0.0	0.7	-
- Pensions dashboard	1.5	0.0	1.5	-
- Financial promotions	1.8	2.4	(0.6)	(25.0%)
- Cryptoasset business	(0.3)	8.0	(8.3)	(103.8%)
Exceptional projects	25.3	12.3	14.0	113.8%
- Future Regulatory Framework	12.7	0.0	13.7	-
- Consumer duty	5.3	0.0	5.3	-
- Transformation programme	5.0	10.0	(5.0)	(50.0%)
- Consumer harm campaign	2.3	2.3	0.0	0.0%
Total AFR	684.2	630.9	53.3	8.5%
Financial penalty rebate	50.3	49.4	(0.9)	(1.8%)
Fees payable	633.9	581.5	52.4	9.0%

(i) Reductions in AFR carried forward from 2022/23 due to deferral of staged increase in minimum fees for the A and consumer credit fee-blocks and not uplifting flat-rate fee for appointed representatives

## Ongoing regulatory activities (ORA) budget

**2.4** ORA represents the baseline cost of operating the FCA. The ORA budget for 2023/24 includes 2 adjustments:

- Now that the pre-paid funeral plans scope project has completed, we are incurring the permanent cost of supervising the firms that have been authorised. This will be £1m in 2023/24, allocated to a new fee-block we have set up for these firms - fee-block A.23.
- In 2022/23, we uplifted ORA by £3.1m in anticipation of the increase in the employers' national insurance contribution. Since that was reversed, we have credited the full amount to 2023/24.

## Allocations to fee-blocks – extensions to regulatory responsibility and exceptional projects

**2.5** 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'). These changes do not affect minimum or flat-rate fees. Table 2.2 sets out our proposed allocations to fee-blocks, showing the increase or decrease compared to 2022/23.

**2.6** This year's allocations by exception arise out of the extensions to regulatory responsibility and exceptional projects itemised in Table 2.1. Most of them affect all fee-payers so their costs will be recovered proportionately across all fee-blocks - ie the FRF, the Financial Promotions project, the Transformation Programme and the Consumer Harm Campaign.

**2.7** The exceptions are:

- There is a credit of £0.3m on the £8m cryptoasset scope change costs we recovered last year. We are crediting this back to the fee blocks concerned.
- **Pre-paid funeral plans (FPs):** The project has completed and FP firms will pay periodic fees from 2023/24 in fee-block A.23. The permanent cost of their ongoing supervision amounts to £1m per year and this indicates a fee-rate of around 0.4% of regulated income, in the mid-range of charges for other fee-blocks which use revenue as a measure. The range is 0.05% to 1%. There remains a balance of £5m costs for the project to extend regulatory responsibility to FP firms. Recovering this within 1 year would push the rate to nearly 3%, which is not reasonable. We therefore proposed in our November 2022 CP to spread the costs proportionately across all fee-blocks. One of the respondents to the consultation argued it was unfair to charge other fee-payers for projects that did not affect them and urged us to recover the costs directly from FP firms, but over a longer period such as 5 years.

### Our response

Recovering project costs from other fee-payers is a last resort. It was necessary last year when we had to recover substantial project costs from a very small pool of cryptoasset businesses. Now that we have fuller data about the revenues of the FP firms that have been authorised, we have concluded that it is feasible to focus cost recovery on these firms only. To ease the pressure on them, we consider that it would be more proportionate to spread cost recovery over 7 years rather than 5. This generates a fee-rate of 0.6% compared with 0.7% over 5 years. We will accordingly recover the £5m FP scope change recovery costs over 7 years from fee-block A.23 only.

- **Consumer duty:** The consumer duty applies to all firms in a distribution chain which may have a material impact on retail consumer outcomes. We proposed in the November 2022 CP to recover the costs from the A fee-blocks, consumer credit and claims management fee blocks, collective investment schemes (fee-block C), payment services, e-money and consumer buy-to-let firms in fee-blocks G.3, G.4, G.5, G.10, G.11, G.20 and G.21 and trade and securitisation repositories in fee-blocks J.2 and J.3.

Two respondents argued that managers of alternative investment funds (AIFs) and Markets in Financial Instruments Directive (MiFID) products are too detached from retail distribution to justify charging them for the consumer duty and so fee-blocks A.7 and A.9 should be excluded from cost recovery.

### Our response

Unauthorised AIFs and MiFID firms for the most part do fall outside the consumer duty. But that is not necessarily the case for authorised AIFs and other fund managers in those fee-blocks. Most fee-payers in fee-block A.9 are unauthorised AIFs and we agree that they would not have a material influence on retail consumer outcomes. That does not apply to fee-block A.7, where most of the firms are investment managers who we believe will fall within the scope of the duty. We have accordingly excluded A.9 from contributing towards the cost of the consumer duty project, but not A.7.

- **Pensions Dashboards:** As well as bringing dashboard providers into the perimeter, this project also imposes dashboard obligations on all pension providers. In addition to the dashboard providers themselves, we proposed in November 2022 to share the costs across fee blocks A.4 (life insurers, including some pension providers), A.9 (fund managers and some pension providers - ie SIPP (self-invested personal pension) operators) and A.13 (advisers and arrangers, including intermediaries and platforms).  
One respondent pointed out that depositaries (included in fee-block A.9) do not provide services to pension schemes, so will not be affected by the pensions dashboards.

### Our response

Nearly half of all the FCA pension providers fall into fee-block A.9 and we do not believe they should be excluded from contributing towards this project. Many fee-blocks are broad coalitions of permissions. For the most part this benefits fee-payers because cost recovery is spread more widely. Sometimes, a particular group will find themselves sharing the costs of projects that do not directly concern them. By the same token, they may find at other times they are paying less for projects that do affect them. We have therefore decided that fee-block A.9 should share the costs of the pensions dashboard project as we proposed.

**Table 2.2: 2023/24 AFR allocation across fee-blocks**

<b>AFR allocations to fee-blocks</b>	<b>Proposed 2023/24 £m</b>	<b>Actual 2022/23 £m</b>	<b>Movement over 2022/23 £m</b>	<b>Movement over 2022/23 %</b>
A.0 FCA minimum fee	23.0	21.2	1.8	8.4%
AP.0 FCA prudential fee (i)	26.4	27.2	-0.8	-2.9%
A.1 Deposit acceptors (ii)	87.6	81.4	6.2	7.6%
A.2 Home finance providers and administrators	21.5	19.9	1.6	8.0%
A.3 Insurers – general	31.2	28.4	2.9	10.1%
A.3 Insurers – general (business interruption) (ii)				
A.4 Insurers – life (ii)	53.1	48.7	4.3	8.9%
A.5 Managing agents at Lloyd's				
A.5 Managing agents at Lloyd's (business interruption) (ii)	0.2	0.2	0.0	7.6%
A.6 The Society of Lloyd's (ii)	0.4	0.4	0.0	7.8%
A.7 Portfolio managers	53.7	49.7	4.0	8.0%
A.9 Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes	14.3	13.2	1.1	8.0%
A.10 Firms dealing as principal (iii)	62.3	56.4	5.8	10.3%
A.13 Advisors, arrangers, dealers, brokers	94.6	86.8	7.8	8.9%
A.14 Corporate finance advisers	17.1	15.9	1.3	8.0%
A.18 Home finance providers, advisers and arrangers	21.0	19.1	2.0	10.4%
A.19 General insurance mediation	34.7	31.5	3.3	10.4%
A.21 Firms holding client money or assets or both	17.7	16.0	1.7	10.8%
A.22 Principal firms – appointed representatives	7.1	7.1	0.0	-0.1%
A.23 Funeral plan intermediaries and providers	1.7	n.a.	1.7	n.a.
CC1. Consumer credit – limited permission	9.5	8.8	0.7	8.3%
CC2. Consumer credit – full permission	49.2	45.4	3.7	8.3%
CMC Claims Management Companies	2.1	1.9	0.2	10.0%

AFR allocations to fee-blocks	Proposed 2023/24 £m	Actual 2022/23 £m	Movement over 2022/23 £m	Movement over 2022/23 %
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	9.4	8.7	0.7	8.4%
C. Collective investment schemes	3.1	2.9	0.2	7.2%
D1 Designated professional bodies (iv)	0.3	0.3	-	8.8%
D2 Professional body supervisors (iv)	1.8	1.6	0.2	8.8%
E. Issuers and sponsors of securities	26.9	24.7	2.1	8.6%
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; proxy advisors	12.5	11.7	0.8	6.7%
J.1 Credit rating agencies	1.4	1.3	0.1	7.5%
J.2 Trade repositories and J.3 securitisation repositories	0.6	0.5	0.1	10.0%
Total AFR	684.2	630.9	53.3	8.5%

Notes: (i) 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.

(ii) Fee-block activities that are dual-regulated by the FCA for conduct purposes and the PRA for prudential purposes.

(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) The actual figures behind the rounded totals for fee-block D1 are £276,068 in 2022/23 and 300,450 in 2023/24

## Applying financial penalties

- 2.8** The amount we collect under the AFR will be reduced by the penalty revenues retained from 2022/23. Before paying the revenues we receive to the Exchequer, we can retain some of the enforcement costs incurred in generating them. We use these to reduce our fees the following year (other than for the fees levied on the penalty payers themselves). The financial penalty scheme is explained more fully in Annex 3 of our [April 2022 CP](#).

**2.9** Table 2.1 includes our latest estimate of the financial penalty rebate for 2023/24. We will update the figure when we finalise the fee-rates in June. Table 2.3 shows the amounts that would be rebated to each fee-block based on that estimate.

**Table 2.3: Draft schedule of rebates of retained penalties in 2023/24**

Fee-block	Estimated 2022/23 retained penalties to be applied to benefit of fee-payers in 2023/24 (£m)	Estimated rebate applied to 2023/24 fees
AP.0 FCA prudential	0.0	0.0%
A.1 Deposit acceptors	7.9	9.2%
A.2 Home finance providers and administrators	0.8	3.8%
A.3 Insurers – general	1.6	5.2%
A.4 Insurers – life	2.9	5.4%
A.5 Managing agents at Lloyd's	0.0	0.0%
A.6 The Society of Lloyd's	0.0	0.0%
A.7 Portfolio managers	11.7	22.1%
A.9 Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes	1.9	13.3%
A.10 Firms dealing as principal	6.4	10.4%
A.13 Advisory arrangers, dealers or brokers (not holding or controlling client money or assets, or both)	4.3	4.6%
A.14 Corporate finance advisors	2.0	11.6%
A.18 Home finance providers, advisers and arrangers	3.3	15.7%
A.19 General insurance mediation	2.9	8.5%
A.21 Firms holding client money or assets or both	3.3	18.8%
A.22 Principal firms – appointed representatives	0.0	0.0%
A.23 Pre-paid funeral plan providers and intermediaries	0.0	0.0%

Fee-block	Estimated 2022/23 retained penalties to be applied to benefit of fee-payers in 2023/24 (£m)	Estimated rebate applied to 2023/24 fees
B. Market Infrastructure providers - Service companies, Regulated benchmark administrators, Recognised investment exchanges, Recognised auction platforms, Recognised overseas investment exchanges, Operators of multilateral or organised trading facilities	0.0	0.0%
CC1 Consumer credit – limited permission	0.0	0.0%
CC2 Consumer credit – full permission	0.0	0.0%
E. Issuers and sponsors of securities	1.5	5.6%
G.1 Persons registered under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	0.0	0.0%
G.2, G.3, G.4, G.5 Firms under the Payment Services Regulations 2017	0.0	0.0%
G.10, G.11 Firms under the Electronic Money Regulations 2011	0.0	0.0%
G.20, G.21 Firms under the Mortgage Credit Directive Order 2015	0.0	0.0%
G.25 Firms under the Data Reporting Regulations 2017	0.0	0.0%
G50 Proxy advisors	0.0	0.0%
Total	50.3	

## Chapter 3

# FCA periodic fees

(Draft rules in Appendix 1)

- 3.1** This chapter sets out our approach to setting the 2023/24 periodic fees for firms authorised or registered by us. The fee-rates are in different parts of the FEES Manual. The relevant rules are set out in Appendix 1. Table 3.3 is a guide to the FEES references for every fee-block.

## Minimum and flat-rate fees

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- 3.2** Some firms pay flat-rate fees, regardless of their size, but most FCA fee-blocks have a structure of minimum fees and variable fees. All firms in a fee-block pay a minimum fee and then the larger ones whose fees metric takes them above a particular threshold pay variable fees on top of that. This structure ensures that all firms contribute towards cost recovery, however small they are.
- 3.3** Last June, we initiated increases in the minimum fees for the A and consumer credit fee-blocks, to align them with the average cost of being regulated by us. We set out a plan of staged increases over 4 years. We increased other minimum and flat-rate fees in line with the percentage increase in our ORA costs. In our November 2022 fees policy CP, we proposed to freeze all minimum and flat-rate fees for 2023/24, to ease the pressure on firms, particularly smaller firms, while inflation is substantially elevated. All respondents who commented supported this.

### Our response

We are as we proposed freezing all minimum and flat-rate fees for 2023/24. Next year, we expect to return to our practice of increasing minimum and flat rate fees in line with ORA and resume the staged increases for the A and consumer credit fee-blocks.

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## Minimum fees in the A fee-blocks

- 3.4** Any firm authorised to carry out any of the regulated activities covered by the 'A' fee-blocks is subject to the minimum fee in fee-block A.0, except for A.6, which has only 1 fee-payer, the Society of Lloyd's. Since we are freezing all minimum fees for 2023/24, the rate remains £1,500 for fee-block A.0.
- 3.5** Firms in the A fee-blocks which pay variable fees on top of the A.0 minimum pay an additional charge in fee-block AP.0 to cover prudential regulation. This seeks to ensure that firms prudentially regulated by the PRA do not pay for FCA prudential regulation.

The fee is calculated by developing a multiplier from the sum of all fees in the A fee-blocks and applying it to the total paid by each firm. The multiplier for fee-block AP.0 is estimated at £0.09794 based on the information currently available.

## Flat rate and minimum payments in the J fee-blocks

**3.6** Firms in the J fee-blocks (credit rating agencies (CRAs), trade repositories (TRs) and securitisation repositories (SRs)) were originally regulated by the European Securities and Markets Agency (ESMA) but supervision of their regulated activities in the UK was transferred to the FCA when the UK left the European Union. Their flat rate fees and minimum payments are matched to the charges set by ESMA in euros, using the sterling exchange rate at the end of the previous December. Consequently, although we are not changing the baseline figures, the rates payable have changed to reflect the exchange rate at the end of December 2022:

- Fees threshold for CRAs – €10m turnover (£8.868m)
- Flat rate fee for certified CRAs – €6,000 (£5,321)
- Flat rate fee for recognised TRs – €5,000 (£4,434)
- Minimum payment for TRs and SRs – €30,000 (£26,604)

## Proposed variable periodic fees

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**3.7** We recover the AFR allocated to almost all fee-blocks on a 'straight line' basis. That is, in direct proportion to the size of permitted business that firms undertake in these fee-blocks (except where the fee-block is based on flat rates or is subject to our moderation framework discussed below).

**3.8** The fees firms pay should accordingly be in line with the changes to the year-on-year allocations of our AFR set out in Table 2.2 in Chapter 2. In some cases, however, the impact on individual fee-rates will be different due to changes in the number of fee-payers in a particular fee-block and the tariff data they have reported.

**3.9** Table 3.2 sets out the number of fee-payers and the total tariff data we have used to calculate the draft 2023/24 fee-rates in Appendix 1. It then compares them to the data used to calculate 2022/23 fee-rates, showing the level of year-on-year movements. To show the effect of this on the fees that firms will pay, compared to the movements in the allocations of our AFR, we also include the year-on-year movements in fee-rates.

**3.10** The data and fees for 2023/24 in Table 3.2 may change between now and June when we calculate the final fee-rates. This is because we have calculated the draft fee-rates based on the estimated population of fee-payers as of 1 April 2022. We will complete collecting and validating the tariff data in May/June.

## Moderation framework

**3.11** In exceptional cases, we apply our moderation framework. This allows our straight-line recovery policy to accommodate a targeted recovery of costs within a fee-block, as long



as it can be justified. This moderation can be either side of the straight-line recovery. It is achieved by applying a premium or discount to the tariff data that measures the amount of permitted business that firms undertake within a moderated fee-block.

**3.12** The current exceptions to straight-line recovery are:

- A.1 fee-block (deposit acceptors)  
 We target our overall supervisory resources on the high-impact, systemically important firms in this sector. We apply a premium of 25% and 65% respectively on those which fall within the medium-high and high bands of our moderation framework.
- A.21 fee-block (firms holding client money or assets or both)  
 We use bandings based on the risk classifications we apply to firms in the Client Assets Sourcebook (CASS) to match our fees more closely to the allocation of our resources. The moderation is summarised in Table 3.1.

**Table 3.1: CASS bandings and level of modification in fee-block A.21**

	CB01 CASS small firms	CB02 CASS medium firms	CB03 CASS large firms
<b>Distribution of AFR</b>	<b>0.02%</b>	<b>19.60%</b>	<b>80.38%</b>
Client money			
Band width	0–1,000,000	>1,000,000– 1,000,000,000	>1,000,000,000
Moderation	0%	-25%	-50%
Assets held			
Band width	0–10,000,000	>10,000,000– 100,000,000,000	>100,000,000,000
Moderation	0%	-25%	-50%

**Table 3.2: Data used to estimate 2023/24 periodic fee-rates for consultation (i)**

Fee block	Tariff base	Number of firms in fee-blocks			Tariff data			Change in rates
		2023/24 Estimated	2022/23 Actual (ii)	Change	2023/24 Estimated	2022/23 Actual (ii)	Change	
A.1	Modified eligible liabilities	728	746	-2.4%	£3,900.6bn	£3,706.6bn	5.2%	2.4%
A.2	Number of mortgages or other home finance transactions	423	446	-5.2%	£7.0m	£6.9m	1.0%	8.0%
A.3	Gross written premium	302	312	-3.2%	£73.4bn	£72.8bn	0.8%	9.3%
	Best estimate liabilities				£139.74n	£139.8bn	-0.3%	13.5%
A.4	Gross written premium	177	150	18%	£132.7bn	£132.5bn	0.2%	8.9%
	Best estimate liabilities				£1,552.6bn	£1,554.4bn	-0.1%	9.3%
A.5	Active capacity	57	57	0.0%	£48.7bn	£39.7bn	22.9%	-8.1%
A.7	Funds under management	2,814	2,819	-0.2%	£11,414.7bn	£11,896.2bn	-4.8%	8.6%
A.9	Gross income	1,331	1,338	-0.5%	£14.8bn	£14.8bn	-0.1%	8.0%
A.10	Traders	415	440	-5.7%	8,385	8,454	-0.8%	11.4%
A.13	Annual income	11,375	11,651	-2.4%	£36.5bn	£35.5bn	2.9%	5.9%
A.14	Annual income	796	803	-0.9%	£13.1bn	£11.3bn	16.2%	-5.7%
A.18	Annual income	5,603	5,578	0.4%	£2.2bn	£2.1bn	6.1%	0.0%

Fee block	Tariff base	Number of firms in fee-blocks			Tariff data			Change in rates
		2023/24 Estimated	2022/23 Actual (ii)	Change	2023/24 Estimated	2022/23 Actual (ii)	Change	
A.19	Annual income	12,511	12,588	-0.6%	£20.2bn	£19.1bn	4.4%	7.0%
A.21	Client money	1,054	1,042	1.2%	£232.9bn	£185.9bn	25.3%	-9.4%
	Assets held				£18,995.6bn	£19,458.3n	-2.4%	13.6%
A.22	Appointed representatives	3,614	3,266	10.7%	36,433	36,425	0.0%	0.0%
A.23	Annual income	248	n.a.	n.a.	£278.4m	n.a.	n.a.	n.a.
CC1.	Annual income	21,678	22,780	-0.5%	£2.4bn	£2.0bn	17.1%	11.6%
CC2.	Annual income	12,698	12,920	-1.7%	£25.7bn	£24.7bn	3.9%	11.6%
CMC	Annual income	542	579	-6.4%	£175.6m	£209.0m	-16.0%	38.3%
AB01	Annual income	10	11	-9.1%	£277.7m	£338.4m	-17.9%	28.8%
BU01	Annual income	6	6	0.0%	£675.2m	£691.1m	-2.3%	5.3%
B002	Annual income	58	58	0.0%	£729.7m	£552.2m	32.2%	-18.9%
B005	Annual income	35	35	0.0%	£2,210.4m	£1,959.6m	12.8%	-5.5%
C007 (iii)	Funds	353	394	-10.4%	10,387	10,753	-3.4%	-30.6%
C009	Funds	6	6	0.0%	19	104	-81.7%	-31.8%
D001	Exempt professional firms	10	10	0.0%	7,623	7623	0.0%	14.6%
D002	Supervised individuals	22	22	0.0%	88,030	88,030	0.0%	9.6%
E002	Market capitalisation	751	785	-4.3%	£2,359bn	£2,372bn	-0.5%	35.7%
G002	Modified eligible liabilities	295	337	-12.5%	£3,888.5bn	£3,686.7bn	5.5%	11.8%

Fee block	Tariff base	Number of firms in fee-blocks			Tariff data			Change in rates
		2023/24 Estimated	2022/23 Actual (ii)	Change	2023/24 Estimated	2022/23 Actual (ii)	Change	
G003	Relevant income	607	717	-15.3%	£9,331.6m	£6,525.3m	42.7%	-20.7%
G010	Average outstanding electronic money	233	290	-19.7%	£14,679.6m	£10,090.0m	45.5%	-19.7%
G015	Fee for first programme	13	13	0.0%	13	14	-7.1%	16.3%
	Issuances				£14,162.2m	£8,221.8m	72.3%	-36.1%
G025	Annual turnover	11	11	0.0%	£169.1m	n.a.	n.a.	n.a.
G030	Annual income	40	51	-21.6%	£389.4m	£726.4m	-46.4%	100.5%
J1	Applicable turnover	12	13	-7.7%	£614.0m	£681.7m	-9.9%	30.7%
J2	Applicable turnover	4	4	0.0%	£48.6m	£45.8m	6.1%	7.9%
J3	Applicable turnover	2	2	0.0%	£1.1m	£0.7m	63.7%	7.9%

(i) From this year, we are presenting the data for all fee-blocks in this table. Previously, we reported only on the A blocks, consumer credit and claims management fee-blocks

(ii) 'Actual' refers to the final figures we used to calculate the 2022/23 fee-rates

(iii) Fee-block C007: We collected £600k more in 2022/23 than we anticipated and so we are crediting this against the 2023/24 fees. Consequently, although the AFR has increased, the rate for 2023/24 has decreased

**3.13** Table 3.3 cites the relevant references in the FEES Manual where the fee-rates for each fee-block are set out. In the instrument in Appendix 1, the 2022/23 rates are crossed out and the rates proposed for 2023/24 are underlined so it is possible to note the changes. For completeness, we have also included the minimum and flat rate fees which are not changing.

**Table 3.3: Location of draft fee-rates in Appendix 1**

Fee block	Reference in Appendix 1
A.0 FCA minimum fee	FEES 4 Annex 2A Part 2(a)
AP.0 FCA prudential fee	
A.1 Deposit acceptors	FEES 4 Annex 2A Part 1
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 Advisors, arrangers, dealers, brokers	
A.14 Corporate finance advisers	
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	
A.23 A.23 Pre-paid funeral plan providers and intermediaries	
CC1 CC1. Consumer credit–limited permission	
CC2 CC2. Consumer credit–full permission	
CMC Claims Management Companies	
B – Market infrastructure providers	
Service companies, Regulated benchmark administrators, Recognised investment exchanges, Recognised auction platforms*, Recognised overseas investment exchanges*, Operators of multilateral or organised trading facilities	FEES 4 Annex 2A Part 1
Third country legal representative (benchmark), Benchmark endorser	FEES 4 Annex 15
C Collective investment schemes ICVCs, AUTs, ACSs, UK LTIFs, Non-UK AIFs, Small registered UK AIFs, AIFs marketed in the UK	FEES 4 Annex 4
D Designated professional bodies Professional body supervisors	FEES 4 Annex 5 FEES Appendix 2 Annex 2
E Issuers and sponsors of securities	FEES 4 Annex 14
G Firms subject to various regulations	
G1 Money-Laundering Regulations	FEES Appendix 3.1.2

Fee block	Reference in Appendix 1
Payment Services Regulations	FEES 4 Annex 11 Part 5
G2 Deposit takers	
G3 Large payment institutions	
G4 Small payment institutions*	
G5 Other payment institutions	
Electronic Money Regulations	
G10 Large electronic money institution	
G11 Small electronic money institution*	
G15 Regulated Covered Bonds Regulations	
G20 Consumer buy-to-let lenders*	
G21 Consumer buy-to-let arrangers and advisers*	FEES 4 Annex 16
G25 Data reporting service providers	
G26 Third party verification agents	
G50 Proxy advisors	
J1 Registered/certified credit rating agencies	
J2 Registered/recognised trade repositories	
J3 Securitisation repositories	

**Q1: Do you have any comments on the proposed FCA periodic fee-rates for 2023/24?**

**3.14** We will consider your comments on our proposals and, subject to FCA Board approval in June 2023, plan to publish a Policy Statement in early July, which will include our feedback on your comments and the final rules.

**3.15** Certain fee-payers have been invoiced from February 2023 for 'on-account' payments. They will be invoiced for the balance in September. Other firms will be invoiced from July 2023, based on the new fees and levies.

**Firms based in the European Economic Area (EEA)**

**3.16** Following the UK's departure from the European Union, the temporary permissions regime (TPR) allows firms based in the EEA to continue to operate in the UK until their applications for UK authorisation have been determined. Their fees are set out in FEES 4A in Appendix 1. For details of the fees arrangements for TPR firms, see paragraphs 3.19 – 3.29 of CP22/07.

## Online fees calculator

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- 3.17** We provide a Fees Calculator ([www.fca.org.uk/firms/calculate-your-annual-fee/fee-calculator](http://www.fca.org.uk/firms/calculate-your-annual-fee/fee-calculator)) on our website to enable firms to calculate their periodic fees for the forthcoming year. This is based on the draft FCA periodic fees and the Financial Ombudsman Service, Money and Pensions Service, Devolved Authorities and Illegal Money Lending Levy consultative rates in Appendix 1 of this CP.
- 3.18** The fees calculator will also cover applicable PRA fees and FSCS indicative levies. The Fees Calculator for 2023/24 fees and levies will be available for firms to use from 6<sup>th</sup> April 2023.

We calculate the draft fee-rates and levies in Appendix 1 using estimated fee-payer populations and tariff data. This means that final periodic fee-rates and levies for 2023/24 – which will be made by our Board in June 2023 – could vary from those in this CP.

## Chapter 4

# Application fees

- 4.1** When we introduced a new structure of application fees in January and April 2022, we said we would uprate them annually in line with inflation so that their value would not erode in the future. However, mindful of the significant inflationary pressures on businesses, we proposed in our November 2022 fees policy CP that we would hold them at their current rates for this year. The proposal was supported by all respondents who commented upon it.

### Our response

We will not increase application fees in 2023/4 but expect to apply our policy of inflationary increases from next year.

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## Chapter 5

# Fees policy clarifications

(Draft rules in Appendix 1)

- 5.1** Following feedback from users, we are making 2 adjustments to the FEES manual to make our rules clearer.

### Proxy advisors

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- 5.2** The flat-rate fee of £5,000 for proxy advisors is difficult to find at the end of FEES 4.2.11R, unless the reader already knows it is there. We propose to move it to FEES 4 Annex 11R, where it will be more visible among all the other G fee-blocks. We propose to allocate it to fee-block G50. We are also taking the opportunity to remove obsolete text relating to April 2020 when proxy advisors were brought into scope.
- 5.3** Moving the rule has no effect on the fee.

### Credit unions and community finance organisations (CFOs)

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- 5.4** We propose to delete FEES 3 Annex 16 Part 5(c) because the variation of permission (VoP) charges it cites for credit unions and CFOs are confusing. The rule states that these firms will pay 50% of the highest pricing category when they apply for a VoP:
- In the case of credit unions, that is not correct. The correct charges are set out 2 lines below in FEES 3 Annex 16 Part 7 and in FEES 3 Annex 1 Part 1(b).
  - CFOs pay concessionary rates when they apply for credit-related permissions and for permission as home finance providers. These are set out in FEES 3 Annex 1 Part 1(a). They pay the standard rates on all other applications and VoPs, so the Annex 16 reference is correct for those applications but is unnecessary since it simply describes the normal VoP model.

**Q2: Do you have any comments on the 2 clarifications we are proposing for the FEES Manual?**

## Chapter 6

# Financial Ombudsman Service general levy

(Draft rules in Appendix 1 – FEES 5 Annex 1R)

- 6.1** In this chapter, we consult on the 2023/24 general levy rates for firms in the Compulsory Jurisdiction (CJ) of the Financial Ombudsman Service (Ombudsman Service). The proposed general levy rates for firms in each industry block are set out in the draft instrument amending FEES Chapter 5 at Appendix 1.

## General levy and budgeting

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- 6.2** The Ombudsman Service must budget separately for the CJ and the voluntary jurisdiction (VJ). Each of these jurisdictions is funded by a combination of annual fees (levies) and case fees as set out in section 234 and Schedule 17 paragraphs 9, 15 and 18 of FSMA.
- 6.3** Under FSMA, the Ombudsman Service must, before the start of each financial year, adopt an annual budget which has been approved by the FCA. Before seeking the FCA's approval, the Ombudsman Service consults on its budget. The Ombudsman Service's consultation and final plan and budget documents are published on the Ombudsman Service's website. These documents explain the basis for the Ombudsman Service's funding requirements in 2023/24.
- 6.4** In 2022/23 the approved budget, covering the cost of running the Ombudsman Service for the year, was £291.7m. The final budget for 2023/24 of £234.2m was approved by the FCA Board in March 2023. This followed pre- and post-consultation discussion on the budget between the Ombudsman Service and the Board's Oversight Committee. Following this, the Oversight Committee recommended that the FCA Board should approve the budget.
- 6.5** The general levy only applies to firms covered by the CJ (see FEES 5.1), and the FCA raises and collects it under section 234 of FSMA. It is payable by all firms authorised or registered by us. This includes firms that have not had any cases referred to the Ombudsman Service, unless they have claimed an exemption (see DISP 1.1.12R) because they do not deal with eligible complainants (see DISP 2.7.3R). The Ombudsman Service collects a separate levy from businesses that have signed up to its VJ. This year, the Ombudsman Service has asked us to recover £106m through the general levy, which is the same amount as it asked us to recover in 2022/23.
- 6.6** Case fees for both the CJ and the VJ are payable when the Ombudsman Service closes a case and subsequently invoices and collects these fees. This year the Ombudsman Service has kept its case fee at £750. Some case fees are collected via the group account case fee arrangement. This is an arrangement where the largest business groups (eg Barclays, HSBC, Lloyds etc) pay quarterly in advance for cases based on the formula in our rules, taking into account historic volume trends and the service's

budgeted activity. For 2023/24, the Ombudsman Service has kept its free case allowance for firms outside the group account arrangements at 3 cases. For group account firms, there will no longer be a free case allowance.

- 6.7** We intend to make rules setting the general levy fee rates in June 2023, following this consultation.

## **CJ levy for 2023/24 – apportionment among fee blocks**

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- 6.8** We have apportioned the CJ general levy in line with the Ombudsman Service's forecasts for the proportion of resources that it expects to devote to cases from firms in each industry block over the next financial year.
- 6.9** Table 6.1 sets out the proposed allocation of the CJ levy for 2023/24 across the respective industry blocks, with 2022/23 rates for comparison. There is a minimum levy in each industry block and the levy then increases in proportion to the amount of 'relevant business' that the firm does (ie business done with consumers).
- 6.10** Individual firms can calculate the impact of the proposed fees and levies using our online calculator.
- 6.11** The general tariff rates will be finalised in June 2023 for the 2023/24 fee period.

**Q3: 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?**

**Table 6.1: Allocation of CJ levy across industry-blocks for 2023/24**

Industry Block	Description	Tariff Base	Consultation 2023/24 tariff rate (£)	Final 2022/23 tariff rate (£)	Consultation 2023/24 minimum levy per firm (£)	Final 2022/23 minimum levy per firm (£)	Consultation 2023/24 gross total	Final 2022/23 gross total	Consultation 2023/24 contribution by block	Final 2022/23 contribution by block
I001	Deposit acceptors, home finance lenders and administrators	Per relevant account	0.12900	0.15000	100	100	£33,804,619	£39,146,075	31.9%	36.9%
I002	Insurers: general	Per £1,000 of gross written premium income	0.391	0.434	100	100	£11,508,375	£15,082,518	10.9%	14.2%
I003	The Society of Lloyds	Flat Levy	N.A.	N.A.	105,410	94,255	£105,410	£104,739	0.1%	0.1%
I004	Insurers: life	Per £1,000 of gross written premium income	0.05090	0.05090	130	130	£5,832,743	£5,542,286	5.5%	5.2%
I005	Fund managers	Flat Levy	N.A.	N.A.	210	210	£242,550	£242,550	0.2%	0.2%
I006	Operators, Trustees and Depositaries of collective investment schemes	Flat Levy	N.A.	N.A.	60	60	£32,460	£32,460	0.0%	0.0%

Industry Block	Description	Tariff Base	Consultation 2023/24 tariff rate (£)	Final 2022/23 tariff rate (£)	Consultation 2023/24 minimum levy per firm (£)	Final 2022/23 minimum levy per firm (£)	Consultation 2023/24 gross total	Final 2022/23 gross total	Consultation 2023/24 contribution by block	Final 2022/23 contribution by block
I007	Dealers as principal	Flat Levy	N.A.	N.A.	75	75	£19,500	£19,500	0.0%	0.0%
I008	Advisory arrangers, dealers or brokers (holding client money)	Per £1,000 of annual income	0.383	0.592	45	45	£1,674,748	£2,483,429	1.6%	2.3%
I009	Advisory only firms and advisory, arrangers, dealers, or brokers (not holding client money)	Per £1,000 of annual income	0.265	0.420	45	45	£1,674,748	£2,483,429	1.6%	2.3%
I010	Corporate finance advisors	Flat Levy	N.A.	N.A.	55	55	£17,710	£17,710	0.0%	0.0%
IA11	Authorised payment service providers	Per £1,000 of relevant Income	0.00440	0.00440	75	75	£53,365	£53,026	0.1%	0.1%

Industry Block	Description	Tariff Base	Consultation 2023/24 tariff rate (£)	Final 2022/23 tariff rate (£)	Consultation 2023/24 minimum levy per firm (£)	Final 2022/23 minimum levy per firm (£)	Consultation 2023/24 gross total	Final 2022/23 gross total	Consultation 2023/24 contribution by block	Final 2022/23 contribution by block
IS11	Small payment institutions and small e-money issuers	Flat Levy	N.A.	N.A.	35	35	£18,060	£18,060	0.0%	0.0%
I013	Cash plan health providers	Flat Levy	N.A.	N.A.	65	65	£650	£650	0.0%	0.0%
I014	Credit unions	Flat Levy	N.A.	N.A.	55	55	£24,035	£24,035	0.0%	0.0%
I015	Friendly societies whose tax exempt business represents 95% or more of their total relevant business	Flat Levy	N.A.	N.A.	65	65	£2,600	£2,600	0.0%	0.0%
I016	Home finance lenders, advisers and arrangers	Flat Levy	N.A.	N.A.	85	85	£470,815	£470,815	0.4%	0.4%

Industry Block	Description	Tariff Base	Consultation 2023/24 tariff rate (£)	Final 2022/23 tariff rate (£)	Consultation 2023/24 minimum levy per firm (£)	Final 2022/23 minimum levy per firm (£)	Consultation 2023/24 gross total	Final 2022/23 gross total	Consultation 2023/24 contribution by block	Final 2022/23 contribution by block
I017	General insurance mediation	Per £1,000 of relevant business annual income	0.880	0.857	100	100	£10,078,326	£10,014,235	9.5%	9.4%
IA18	Authorised electronic money institutions	Per £1,000 of average outstanding electronic money	0.0001	0.0001	40	40	£9,948	£9,884	0.0%	0.0%
IS18	Small electronic money institutions	Flat Levy	N.A.	N.A.	50	50	£1,619	£1,609	0.0%	0.0%
I019	Consumer credit: limited	Flat Levy	N.A.	N.A.	35	35	£782,390	£782,390	0.7%	0.7%
IA19	Consumer credit: limited (not for profit)	Flat Levy	N.A.	N.A.	N.A.	N.A.	N.A.	£0	0.0%	0.0%
I020	Consumer Credit - Full	Per £1,000 of consumer Credit Income	1.555 (on income over £250,000 plus minimum fee)	0.500 (on income over £250,000 plus minimum fee)	35	35	£39,500,953	£29,165,143	37.3%	27.5%

Industry Block	Description	Tariff Base	Consultation 2023/24 tariff rate (£)	Final 2022/23 tariff rate (£)	Consultation 2023/24 minimum levy per firm (£)	Final 2022/23 minimum levy per firm (£)	Consultation 2023/24 gross total	Final 2022/23 gross total	Consultation 2023/24 contribution by block	Final 2022/23 contribution by block
IR21	Consumer buy-to-let	Flat Levy	N.A.	N.A.	35	35	N.A.	£0	0.0%	0.0%
I022	Designated credit reference agencies	Flat Levy	N.A.	N.A.	75	75	N.A.	£0	0.0%	0.0%
I023	Designated finance platforms	Flat Levy	N.A.	N.A.	75	75	N.A.	£0	0.0%	0.0%
I024	Claims management companies	Per £1,00 of relevant business Annual Income	0.670	1.200	50	50	£144,375	£302,857	0.1%	0.3%
I025	Funeral plans	Annual Income	N.A.	N.A.	35	N.A.	£0	£0	0.0%	0.0%
	Total - all blocks						£106,000,000	£106,000,000	100.0%	100.0%

We calculate the draft fee-rates and levies in Appendix 1 using estimated fee-payer populations and tariff data. This means that final periodic fee-rates and levies for 2023/24 – which will be made by our Board in June 2023 – could vary from those in this CP.



## Chapter 7

# Levies collected on behalf of government departments

- 7.1** We are required by statute to administer certain levies on behalf of government departments. The appropriate departments notify us each year of the amounts we must pay to them after deducting our administration costs. We have no responsibility for determining the sums to be collected nor how the money should be spent. Any queries about how the budgets have been determined or how the money will be used must be addressed to the appropriate Departments of State.
- 7.2** The levies are:
- Money and Pensions Service (MaPS) levies
  - Devolved Authorities debt advice levies
  - Illegal money lending (IML) levy
  - Economic crime (EC) levy
- 7.3** We are consulting on the levy rates for the first 3 levies because they are defined under FSMA. The methodologies for determining them and setting the rates are set out in FCA rules.
- 7.4** The EC levy does not form part of this consultation because it is not governed by FCA rules, but we have set out the rates at the end of this chapter for information only.

## FSMA levies for consultation

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- 7.5** Our instructions are given to us under section 137SA of FSMA for the MaPS and Devolved Authorities levies and under Section 333T of FSMA for the IML levy. Our instructions come from the Department of Work and Pensions for MaPS, and from the Treasury for the Devolved Authorities and illegal money lending levies.
- 7.6** The draft levy rates are in Appendix 1. Table 7.1 gives the relevant FEES references, the totals we have been directed to collect and their distribution between fee-blocks. We propose to allocate the costs to fee-blocks on the same basis as in previous years. The final levy rates for 2023/24 might vary from those we are consulting on in this CP because:
- The budgets are estimated and may be adjusted to account for any underspends from 2022/23.
  - All the draft levy rates are calculated using estimated numbers of fee-payers and the tariff data available to us at the time of consultation.

We will recalculate the rates from the finalised budgets and the complete data sets when we ask our Board to make the final rates in June.

## Money and Pensions Service levies

**7.7** There are 3 MaPS levies:

- money guidance in the UK
- debt advice in England
- pensions guidance in the UK

**7.8** For the money guidance levy:

- We are maintaining the minimum fee in fee-block A.0 at £10 and our allocation to the fee-block is calculated from our estimate of the number of firms authorised at the start of the fee-year. We will update the allocation to reflect the actual number when we publish our policy statement in July 2023.
- The allocations to the other fee-blocks are determined by the following equally weighted components:
  - how consumers use the 3 money guidance channels (web, telephone and web chat, and printed literature) weighted by the cost of each channel
  - strategic aims and outcomes mapped to fee-blocks
  - a levy based on our own allocation (the same weighting we use to calculate FCA fees)

**Table 7.1: proposed allocation of FSMA levies 2023/24 to fee-blocks**

### Money guidance in the UK – levy rates in FEES 7A Annex 1

Fee-block	Actual 2022/23 allocation £m	Proposed 2023/24 allocation £m	Movement
A.0 minimum fee	£0.19m	£0.18m	-7.1%
A.1 Deposit acceptors	£3.51m	£3.38m	-3.9%
A.2 Home finance providers and administrators	£3.05m	£2.94m	-3.5%
A.3 Insurers - general and UK ISPVs	£1.72m	£1.61m	-6.7%
A.4 Insurers - life	£2.82m	£2.49m	-11.5%
A.5 Managing agents at Lloyd's	£0	£0m	n.a.
A.6 The Society of Lloyd's	£0	£0m	n.a.
A.7 Portfolio managers	0.96m	£0.90m	-6.3%
A.9 Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes	£1.34m	£1.12m	-16.5%
A.10 Firms dealing as principal	£1.06m	£1.01m	-4.9%

### Money guidance in the UK – levy rates in FEES 7A Annex 1

A.13 Advisors, arrangers, dealers or brokers	£1.70m	£1.77m	3.8%
A.14 Corporate finance advisers	£0.20m	£0.19m	-6.3%
A.18 Home finance providers, advisers and arrangers	£0.24m	£0.23m	-6.3%
A.19 General insurance distribution	£0.41m	£0.38m	-7.4%
A.21 Firms holding client money or assets, or both	£0.20m	£0.19m	-4.4%
CC1. Credit-related regulated activities with limited permission	£1.22m	£1.12m	-8.1%
CC2. Credit-related regulated activities	£1.73m	£1.58m	-8.6%
G. Firms covered by payment services regulations 2009 (PSR's) and Electronic Money Regulations 2011 (EMR's)	£0.14m	£0.13m	-6.1%
Total	£20.5m	£19.21m	-6.3%

### Debt advice in England – levy rates in FEES 7A Annex 2

A.2 Home finance providers and administrators	£40.35m	£46.35m	14.9%
CC 3 Consumer credit lending	£40.35m	£46.35m	14.9%
Total	£80.7m	£92.7m	14.9%

### Pensions guidance in the UK – levy rates in FEES 7A Annex 3

A.1	Deposit acceptors	£12.0m	£10.0m	-16.9%
A.4	Insurers – life	£12.0m	£10.0m	-16.9%
A.7	Portfolio managers	£12.0m	£10.0m	-16.9%
A.9	Managers and depositaries of investment funds, and operators of collective investment schemes or pension schemes	£8.0m	£6.5m	-16.9%
A.13	Advisory arrangers, dealers and brokers	£6.0m	£5.0m	-16.9%
Total		£50.0m	£41.5m	-16.9%

### Devolved Authorities debt advice – levy rates in Appendix 1 – FEES 7B Annex 1R

A.2 Home finance providers and administrators	£5.85m	£5.15m	-11.9%
CC 3 Consumer credit lending	£5.85m	£5.15m	-11.9%
Total	£11.7m	£10.3m	-11.9%

### Illegal money lending – levy rates in Appendix 1 – FEES 13 Annex 1R

CC1. Credit-related regulated activities with limited permission	£0.1m	£0.1m	-0.4%
CC2. Credit-related regulated activities	£6.7m	£7.3m	9.0%
Total	£6.8m	£7.4m	8.9%

**Q4: Do you have any comments on the proposed 2023/24 rates for the levies collected on behalf of government departments?**

## Firms based in the European Economic Area (EEA)

**7.9** Following the UK's departure from the European Union, the temporary permissions regime (TPR) allows firms based in the EEA to continue to operate in the UK until their applications for UK authorisation have been determined. The chapters in the FEES handbook which set their fees are:

- FEES 7C – MaPS
- FEES 7D – devolved authorities
- FEES 13A – illegal money lending

We calculate the draft fee-rates and levies in Appendix 1 using estimated fee-payer populations and tariff data. This means that final periodic fee-rates and levies for 2023/24 – which will be made by our Board in June 2023 – could vary from those in this CP.

## Economic crime levy

**7.10** Responsibility for collecting the EC levy has been given to the FCA, HM Revenue and Customs and the Gambling Commission under Section 53(1) of the Finance Act 2022 for the EC levy. The arrangements for all 3 collection agents, including the levy rates and the timing of payments, are determined by the Economic Crime (Anti-Money Laundering) Levy Regulations 2022 and subsequent orders issued by the Treasury.

**7.11** The economic crime levy is restricted to firms we are responsible for supervising under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs). It is based on total UK revenue and is charged according to 4 size bands:

- under £10.2m: exempt
- £10.2m – £36m: £10,000
- £36m – £1bn: £36,000
- over £1bn: £250,000

**7.12** To keep the costs of collection down, firms are invoiced as part of the normal invoicing process.

**7.13** Eligible firms are asked to submit their data annually in April in a regulatory return which can accessed through our RegData system. We would like to remind firms that their returns for April 2023 are now due.

## Annex 1

### Questions in this paper

- Q1:** Do you have any comments on the proposed FCA periodic fee-rates for 2023/24?
- Q2:** Do you have any comments on the 2 clarifications we are proposing for the FEES Manual?
- Q3:** 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?
- Q4:** Do you have any comments on the proposed 2023/24 rates for the levies collected on behalf of government departments?

## Annex 2

# Compatibility statement

## Compliance with legal requirements

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1. This Annex records the FCA's compliance with a number of legal requirements applicable to the proposals in this consultation, including an explanation of the FCA's reasons for concluding that our proposals in this consultation are compatible with certain requirements under the Financial Services and Markets Act 2000 (FSMA).
2. When consulting on new rules, we are required by section 138I(2)(d) FSMA to include an explanation of why we believe making the proposed rules is (a) compatible with its general duty, under s. 1B(1) FSMA, so far as reasonably possible, to act in a way which is compatible with its strategic objective and advances one or more of its operational objectives, and (b) its general duty under s. 1B(5)(a) FSMA to have regard to the regulatory principles in s. 3B FSMA. The FCA is also required by s. 138K(2) FSMA to state its opinion on whether the proposed rules will have a significantly different impact on mutual societies as opposed to other authorised persons.
3. This Annex also sets out our view of how the proposed rules are compatible with the duty on the FCA to discharge its general functions (which include rule-making) in a way which promotes effective competition in the interests of consumers (s. 1B(4)). This duty applies in so far as promoting competition is compatible with advancing the FCA's consumer protection and/or integrity objectives.
4. This Annex also explains how we have considered the recommendations made by the Treasury under s. 1JA FSMA about aspects of the economic policy of Her Majesty's Government to which we should have regard in connection with our general duties.
5. This Annex includes our assessment of the equality and diversity implications of these proposals.
6. Under the Legislative and Regulatory Reform Act 2006 (LRRRA) the FCA is subject to requirements to have regard to a number of high-level 'Principles' in the exercise of some of our regulatory functions and to have regard to a 'Regulators' Code' when determining general policies and principles and giving general guidance (but not when exercising other legislative functions like making rules). This Annex sets out how we have complied with requirements under the LRRRA.

## The FCA's objectives and regulatory principles: Compatibility statement

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7. The proposals set out in this consultation are not intended in themselves to advance the FCA's operational objectives but the fees we collect fund our capacity to achieve them.

8. We also consider these proposals are compatible with our strategic objective of ensuring that the relevant markets function well, albeit indirectly. This is because they will enable us to fund the activities to help us meet that objective. For the purposes of our strategic objective, 'relevant markets' are defined by s.1F of FSMA. In the rest of this annex, reference to objectives means both our strategic objective and operational objectives.
9. In the case of the Financial Ombudsman Service, the proposals in this consultation to raise the general levy to fund its activities will indirectly meet its statutory function of providing a scheme for the quick and informal resolution of disputes between financial services firms and their customers. The proper functioning of the Financial Ombudsman Service also helps us to meet our consumer protection objective.
10. The proposals for the MaPS and Devolved Authorities levies will enable us to meet our obligations under the Financial Guidance and Claims Act 2018. They will allow the MaPS and Devolved Authorities to carry out their functions which also helps us to meet our consumer protection objective.
11. In preparing the proposals set out in this consultation, the FCA has had regard to the regulatory principles set out in s. 3B FSMA, as set out below.

### **The need to use our resources in the most efficient and economic way**

12. Our fee-raising proposals are set to recover our costs in carrying out our responsibilities under FSMA and associated legislation. We aim to carry out this work in the most efficient and economical way possible, concentrating on the areas of activity that pose the greatest risk to our objectives
13. The Financial Ombudsman Service is operationally independent, but accountable to us, which means that our resources are not directly involved in carrying out its activities. We are responsible in approving FOS's budget, including its expenditure on resources and the split between levy and case fee.
14. We are not accountable for the use of resources funded through the levies that we collect on behalf of government departments.

### **The principle that a burden or restriction should be proportionate to the benefits**

15. The underlying rules for how we raise fees from fee-payers have been consulted on previously.
16. Our fees are necessary for us to meet our objectives. As outlined above we take steps to use our resources in the most efficient and economic way, while delivering consumer protection, enhancing market integrity and building competitive markets in the interest of consumers, through our regulatory activities.
17. To assist especially smaller fee-payers during a period of significant inflationary pressures, we are proposing not to increase minimum, flat-rate and application fees.



18. Our policy for allocating the AFR across fee-blocks is to maintain an even distribution of increases/decreases, other than where there have been material and explainable exceptions for individual fee-blocks (allocation by exception), as explained in Chapter 3.
19. Fees collected to fund the Financial Ombudsman Service enable it to carry out its statutory functions, broadly to provide access to an independent, quick and informal scheme for dispute resolution. The proper functioning of the Financial Ombudsman Service helps us to meet our consumer protection objective. The Financial Ombudsman Service's general levy is calculated using 'industry blocks', which are similar (but not identical) to our 'fee-blocks'. Each industry block has a minimum levy and, in most cases, the levy then increases in proportion to the amount of 'relevant business' (i.e. business done with private individuals) each firm does. The proportion is called 'tariff rate'. The proportions in which the CJ levy are distributed across the fee-blocks are based on the Financial Ombudsman Service's forecasts for the proportion of resources it expects to devote to cases from firms in each sector.
20. We have allocated the funding requirements for the levies we collect on behalf of government departments on the same basis as in previous years to ensure a proportionate distribution.

### **The desirability of sustainable growth in the economy of the United Kingdom in the medium or long term**

21. The proposals in this consultation are not intended in themselves to make an impact on growth in the UK economy, but our fees are structured to distribute cost recovery proportionately between fee-payers according to their size. We have taken account of the current inflationary pressures on businesses and are not increasing minimum, flat rate or application fees.

### **The general principle that consumers should take responsibility for their decisions**

22. Our fees have no direct impact on decision making by consumers.

### **The responsibilities of senior management**

23. Senior managers are responsible for compliance with our fees rules and for ensuring that the information from which we calculate our fees is accurate, but our current proposals have no direct bearing on senior management accountability.

### **The desirability of recognising differences in the nature of, and objectives of, businesses carried on by different persons including mutual societies and other kinds of business organisation**

24. The allocation of our AFR in Chapter 2 and for the levies collected on behalf of government departments in chapter 6 recognises the differences in the nature of the businesses carried on by the different persons we regulate:
- fee-blocks are defined by reference to related types of permitted business fee-payers can undertake
  - the proportion of our funding requirement allocated to each fee-block represents the resources we will apply to mitigate risks to our objectives
  - subject to minimum thresholds of size and minimum fees, fee-payers pay fees in each fee-block in line with the scale of the business they undertake in it

### **The desirability of publishing information relating to persons subject to requirements imposed under FSMA, or requiring them to publish information**

25. In this consultation we are not publishing any information relating to persons subject to requirements imposed under FSMA, nor are we requiring them to publish information.

### **The principle that we should exercise of our functions as transparently as possible**

26. Our consultation processes are intended to ensure that we are transparent about the thinking behind our proposals and clearly explain what we expect to achieve. We believe that this CP meets these objectives.
27. Our fees do not directly affect our action against financial crime, but they fund our capacity to take action intended to minimise the extent to which it is possible for a business carried on (i) by an authorised person or a recognised investment exchange; or (ii) in contravention of the general prohibition, to be used for a purpose connected with financial crime (as required by s. 1B(5)(b) FSMA).

### **Expected effect on mutual societies**

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28. We do not expect the proposals in this paper to have a significantly different impact on mutual societies compared with other authorised firms, but in chapter 5 we clarify some issues relating to credit unions and community finance organisations, many of which will be mutual societies.

### **Compatibility with the duty to promote effective competition in the interests of consumers**

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29. These proposals enable us to fund the activities we need to undertake in 2023/24. These include meeting our duty to promote effective competition in the interests of consumers, though fees are not intended in themselves to influence firms' behaviour.

- 30.** Additionally, the levels of fees set for different types of firms support our objective of promoting effective competition. For example, the allocation of our AFR to fee-blocks on which the fee rates are based takes account of the aggregate riskiness of the sector they represent. The recovery of allocations within the fee-blocks is based on the size of business undertaken by the individual firms.

## Equality and diversity

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- 31.** We are required under the Equality Act 2010 in exercising our functions to 'have due regard' to the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by or under the Act, advance equality of opportunity between persons who share a relevant protected characteristic and those who do not, to and foster good relations between people who share a protected characteristic and those who do not.
- 32.** As explained in paragraph 1.20 of this CP, we do not think that the proposals negatively impact any of the groups with protected characteristics under the Equality Act 2010. But we will continue to consider the equality and diversity implications of the proposals during the consultation period, and will revisit them when publishing the final rules.

## The Treasury's recommendations about economic policy

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- 33.** The Treasury makes recommendations to us under section 1JA of FSMA about aspects of economic policy which we should consider when undertaking our functions. Our fees proposals indirectly take account of the Treasury's recommendations by providing the resources that enable us to meet our objectives.

## Annex 3

# Abbreviations used in this paper

<b>Abbreviation</b>	<b>Description</b>
<b>AFR</b>	Annual funding requirement
<b>CC</b>	Consumer credit
<b>CIS</b>	Collective investment scheme
<b>CJ</b>	Compulsory jurisdiction of the Financial Ombudsman Service
<b>CMC</b>	Claims management company
<b>CRA</b>	Credit rating agency
<b>DWP</b>	Department for Work and Pensions
<b>EEA</b>	European Economic Area
<b>ESMA</b>	European Securities and Markets Agency
<b>EU</b>	European Union
<b>FCA</b>	Financial Conduct Authority
<b>FP</b>	Pre-paid funeral plan
<b>FRF</b>	Future regulatory framework
<b>FSA</b>	Financial Services Authority
<b>FSCS</b>	Financial Services Compensation Scheme
<b>FSMA</b>	Financial Services and Markets Act 2000
<b>IML</b>	Illegal money-lending
<b>MaPS</b>	Money and Pensions Service
<b>MAS</b>	Money Advice Service
<b>MLRs</b>	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
VJ	Voluntary jurisdiction of the Financial Ombudsman Service
VoP	Variation of permission

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## Appendix 1

# Draft Handbook text

**PERIODIC FEES (2023/2024) AND OTHER FEES INSTRUMENT 2023****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 [*date*].

### **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 (2023/2024) and Other Fees Instrument 2023.

By order of the Board  
[*date*]



**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 Annex Fees for an application for variation of permission  
16R**

The fee relevant to the application is due on or before the date the application is made.

	<b>Application type</b>		<b>Applicable pricing category in FEES 3 Annex 1AR</b>
...			
5	Credit-related permissions		
	...		
	(e)	<del>Community finance organisations and credit unions</del>	50% of the highest pricing category relevant to the application
...			

**4 Periodic fees**

...

**4.2 Obligation to pay periodic fees**

...

Extension of Time

...

**4.2.11 R Table of periodic fees payable to the FCA**

1 Fee payer	2 Fee payable	3 Due date	4 Events occurring during the period
-------------	---------------	------------	--------------------------------------

			leading to modified periodic fee
...			
<i>Proxy advisor</i>	<p>(1) £5,000</p> <p>(2) For a <i>proxy advisor</i> which is already trading on 1 April 2020, the amount specified in (1) upon notifying the <i>FCA</i>.</p> <p>(3) For a <i>proxy advisor</i> which starting trading after 1 April 2020, the fee payable is pro-rated in proportion to the <i>months</i> remaining in the financial year 1 April – 31 March, including the month of notification.</p> <p><u>Fees 4 Annex 11</u></p>	<p>(1) <del>At the time of notification</del></p> <p>(2) For a <i>proxy advisor</i> which has already notified the <i>FCA</i>, within 30 days of the date of the invoice</p> <p><u>Within 30 days of the date of the invoice</u></p>	Not applicable

...

**4 Annex 2AR FCA Fee rates for the period from 1 April 2022 2023 to 31 March 2023 2024**

...

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	<del>14.526</del> <u>14.871</u>
	>140 - 630	<del>14.526</del> <u>14.871</u>
	>630 - 1,580	<del>14.526</del> <u>14.871</u>
	>1,580 - 13,400	<del>18.158</del> <u>18.589</u>
	>13,400	<del>23.968</del> <u>24.537</u>
	The tariff rates in A.1 are not relevant for the <i>permissions</i> relating to <i>operating a dormant asset fund</i> . Instead, a flat fee of £6,762 is payable in respect of these <i>permissions</i> .	
A.2	Band width (No. of mortgages and/or home finance transactions)	Fee (£/mortgage)
	>50	<del>2.877</del> <u>3.108</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	<del>351.76</del> <u>384.47</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	<del>19.17</del> <u>21.75</u>
	For <i>UK ISPVs</i> the tariff rates are not relevant and a flat fee of £547.00 is payable in respect of each <i>FCA</i> financial year (the <i>12 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	<del>220.78</del> <u>240.41</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	<del>12.55</del> <u>13.72</u>
A.5	Band Width (£million of Active Capacity (AC))	Fee (£/£m or part £m of AC)
	>50	<del>6.20</del> <u>5.70</u>
A.6	Flat fee (£)	<del>372,052.78</del> <u>401,199.36</u>
A.7	For class 1(C), (2), (3) and (4) <i>firms</i> :	
	Band Width (£million of Funds under Management (FuM))	Fee (£/£m or part £m of FuM)
	>10	<del>4.353</del> <u>4.727</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%.	
A.9	Band Width (£million of Gross Income (GI))	Fee (£/£m or part £m of GI)
	>1	<del>937.33</del> <u>1,012.25</u>
A.10	Band Width (No. of traders)	Fee (£/person)
	>1	<del>6,917.74</del> <u>7,704.66</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	<del>2.494</del> <u>2.64</u>
A.14	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	<del>1.414</del> <u>1.333</u>
A.18	Band Width (£ thousands of Annual Income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	<del>10.072</del> <u>10.072</u>
A.19	Band Width (£ thousands of Annual Income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	<del>1.693</del> <u>1.811</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	<del>108.70</del> <u>98.46</u>
	an amount equal to or greater than £1 million but less than or equal to £1 billion	<del>81.53</del> <u>73.85</u>
	more than £1 billion	<del>54.35</del> <u>49.23</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	<del>0.374</del> <u>0.4248</u>
	an amount equal to or greater than £10 million and less than or equal to £100 billion	<del>0.2805</del> <u>0.3186</u>
more than £100 billion	<del>0.187</del> <u>0.2124</u>	
A.22	Band Width (No. of <i>appointed representatives</i> )	Fee (£/ <i>appointed representative</i> )

	>0	266.00 for <i>appointed representatives</i> other than <i>introducer appointed representatives</i>
	>0	80.00 for <i>introducer appointed representatives</i>
A.23	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	<del>{tbe}</del> <u>6.132</u>
B. Service Companies	Band Width	Fee (£)
	Annual income up to and including £100,000	1,202.00
	<b>PLUS:</b>	
	Band width	Fee (£/£thousand or part £ thousand of income)
	Annual income over £100,000	<del>0.80</del> <u>1.03</u>
B. Regulated benchmark administrators	Band width	Fee (£)
	Annual income up to and including £100,000	1,222.00
	<b>PLUS:</b>	
	Band width	Fee (£/£ thousand or part £ thousand of income)
	Annual income over 100,000	<del>1.46</del> <u>1.38</u>
B. Recognised investment exchanges	Band width	Fee (£)
	Annual income up to and including £10,000,000	116,081.00
	<b>PLUS:</b>	

	Band width	Fee (£/£ thousand or part £_thousand of income)
	Annual income over £10,000,000	<del>2.63</del> <u>2.77</u>
B. Recognised auction platforms	61,878.00	
B. Recognised overseas investment exchanges	66,294.00	
B. MTF and OTF operators	Band width	Fee (£)
	Annual income up to and including £100,000	1,222.00
	<b>PLUS:</b>	
	Band width	Fee (£/£ thousand or part £ thousand of income)
	Annual income over £100,000	<del>2.27</del> <u>1.84</u>
CC1. Credit-related regulated activities with limited permission	Band Width (£ thousands of annual income (AI))	Fee (£)
	0-10	350
	>10-100	700
	>100	1,000
	<b>PLUS:</b>	
		Fee (£)
	>250	<del>0.534</del> <u>0.596</u>
CC2. Credit-related regulated activities	Band Width (£ thousands of annual income (AI))	Fee (£)
	0-50	1,000
	>50-100	1,250

	>100	1,500
	<b>PLUS:</b>	
		Fee (£)
	>250	<del>1.495</del> <u>1.669</u>
	...	
CMC.	Band width (£ thousands of annual turnover)	Fee (£)
	0-50	531.00
	50-100	1,062.00
	>100	<del>8.52</del> <u>11.78</u> per £ thousand or part per £ thousand
Part 2		
...		

<b>Part 2(a) tariff rates (minimum fees) payable to the FCA by FCA- authorised persons</b>		
A.0	(1)	£1,500 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 £187 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 £634 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 £1,175 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 <del>£0.10193</del> <u>0.09794</u> .	



Part 2(b) tariff rates (minimum fees) payable to the FCA by PRA- authorised persons						Fee
A.0	(1)		Any PRA-authorized person except as set out in (2) and (3)			£750
			[deleted]			
			[deleted]			
			[deleted]			
			[deleted]			
	(2)	<i>Credit union</i> with a tariff base (Modified Eligible Liabilities) of:				
		(a)	£0 to £0.5million			£97
		(b)	£0.5million to £2.0million			£327
		(c)	above £2 million.			£606
	(3)	<i>Non-directive friendly society</i> that meets the criteria of one of the following categories (a) to (c):				
			Activity group the firm falls into	Gross written premium for fees purposes for that activity	Best estimate liabilities for fees purposes for that activity	
		(a)	A.3 but not A.4	£0.5 million or less	Up to £1 million or less	£261
		(b)	A.4 but not A.3	£1 million or less	£1 million or less	£261
		(c)	Both A.3 and A.4			
			A.3	£0.5 million or less	£1 million or less	£261
			A.4	£1 million or less	£1 million or less	£261


...

**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 ~~2022~~ 2023 to 31 March ~~2023~~ 2024**

Part 1 – Periodic fees payable

Scheme type	Basic fee (£)	Total funds/sub-funds aggregate	Fund factor	Fee (£)
<i>ICVC,</i> <i>AUT,</i> <i>ACS,</i> <i>LTIFs,</i> Money market funds with effect from 21 July 2018	<del>324.00</del> <u>225.00</u>	1-2	1	<del>324.00</del> <u>225.00</u>
		3-6	2.5	<del>810.00</del> <u>562.50</u>
		7-15	5	<del>1,620.00</del> <u>1,125.00</u>
		16-50	11	<del>3,564.00</del> <u>2,475.00</u>
		>50	22	<del>7,128.00</del> <u>4,950.00</u>
<i>non-UK AIFs</i> recognised under section 272 of the <i>Act</i>	<del>1,320.00</del> <u>900.00</u>	1-2	1	<del>1,320.00</del> <u>900.00</u>
		3-6	2.5	<del>3,300.00</del> <u>2,250.00</u>
		7-15	5	<del>6,600.00</del> <u>4,500.00</u>
		16-50	11	<del>14,520.00</del> <u>9,900.00</u>
		>50	22	<del>29,040.00</del> <u>19,800.00</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>	365
Notification under regulation 58 of the <i>AIFMD UK regulation</i>	255
Notification under regulation 59 of the <i>AIFMD UK regulation</i>	365

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

The annual fee for *small registered UK AIFMs* is £718

#### 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 <u>2022/23-2023/2024</u>	Amount payable
Minimum fee, payable by all <i>designated professional bodies</i>	£10,620
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	<del>22.40</del> <u>25.67</u> 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 Annex 11R

### Periodic fees in respect of payment services, electronic money issuance, regulated covered bonds, CBTL business, data reporting services, and third party verifiers and proxy advisers in relation to the period 1 April ~~2022~~ 2023 to 31 March ~~2023~~ 2024

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 2C – Activity group relevant to <i>data reporting service providers</i>	
Activity group	Fee payer falls into this group if:
...	
<u>G.50</u>	<u>It is a <i>proxy adviser</i>.</u>

Part 3	
<p>This table indicates the tariff base for each fee-block. The tariff base is the means by which the <i>FCA</i> measures the amount of business conducted by <i>fee-paying payment service providers, fee-paying electronic money issuers, CBTL firms, data reporting services providers, firms registered under the Money Laundering Regulations, issuers of regulated covered bonds and third party verifiers</i>.</p>	
Activity group	Tariff base
...	
G.26 TPV	Not applicable
<u>G.50</u>	<u>Not applicable</u>

Part 4 – Valuation period	
<p>This table indicates the valuation date for each fee-block. A <i>fee-paying payment service provider, a fee-paying electronic money issuer, a regulated covered bond issuer and a third party verifier</i> can calculate tariff data by applying the tariff bases set out in Part 3 with reference to the valuation dates shown in this table.</p>	
Activity group	Valuation date
...	
G.26 TPV	Not relevant
<u>G.50</u>	<u>Not relevant</u>

Part 5 – Tariff rates		
Activity group	Fee payable in relation to <del>2022/23</del> 2023/24	
G.2	Minimum fee (£)	558
	£ million or part £m of Modified Eligible Liabilities (MELS)	Fee (£/£m or part £m of MELS)
	> 0.1	<del>0.340</del> <u>0.380</u>
G.3	Minimum fee (£)	558
	£ thousands or part thousand of Relevant Income	Fee (£/£thousand or part £thousand of Relevant Income)
	> 100	<del>0.454</del> <u>0.360</u>
G.4	Flat fee (£)	579
G.5	As in G.3	
G.10	Minimum fee (£)	1,833
	£million or part m of average outstanding electronic money (AOEM)	Fee (£/£m, or part £m of AOEM)
	>5.0	<del>12.80</del> <u>20.30</u>
G.11	Flat fee (£)	1,272
G.15	Minimum fee for the first registered <i>programme</i> (£)	<del>98,265</del> <u>114,296</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	<del>18.26</del> <u>11.66</u>
	...	

G.20	Flat fee (£)	469
G.21	Flat fee (£)	234
G.25	<i>Data reporting services providers.</i>	£2.38 <del>ttbe</del> per £1,000 or part-£1,000, subject to a minimum payment of £25,197 <del>ttbe</del>
G.26 TPV	Flat fee (£)	281
<u>G.50</u>	<u>Flat fee (£)</u>	<u>5,000</u>
...		

...

**4**  
**Annex**  
**14R**

**UKLA periodic fees for the period from 1 April ~~2022~~ 2023 to 31 March 2023**  
**2024**

Part 1 Base fee			
Activity group or invoice code (Note 1)		Description	Base fee payable (£)
E.1	Discontinued		
E.2	Premium listed issuer	<i>A listed issuer of equity shares and certificates representing shares with a premium listing (see Note 2)</i>	6,037
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>	22,871
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>	19,087
ES.01	Sponsor	<i>A sponsor (see Note 3)</i>	31,794
...			

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	<del>33.302966</del> 45.192124
		> 250 – 1,000	<del>12.849266</del> 17.436454
		> 1,000 – 5,000	<del>7.909250</del> 10.732852
		> 5,000 – 25,000	<del>0.192930</del> 0.261806
		> 25,000	<del>0.062331</del> 0.084584

**4 Annex 15R Fees relating to the recognition of benchmark administrators and the endorsement of benchmarks for the period 1 April ~~2022~~ 2023 to 31 March ~~2023~~ 2024**

Activity group	Fee payable
<i>A third country legal representative</i>	£14,412
<i>A benchmark endorser</i>	£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 <del>2022/2023</del> <u>2023/2024</u>
J.1	Registered <i>credit rating agencies</i> and third country certified credit rating agencies with applicable turnover of <del>£8,399m</del> <u>£8.868m</u> or less	Exempt
	Registered <i>credit rating agencies</i> with turnover above <del>£8,399m</del> <u>£8.868m</u>	<del>£1.99</del> <u>2.60</u> per £1k or part-£1k (applies to all turnover)
	Certified <i>credit rating agencies</i> with turnover above <del>£8,399m</del> <u>£8.868m</u>	<del>£5,039</del> <u>£5,321.00</u>
J.2	Registered <i>trade repositories</i>	<del>£10.54</del> <u>11.37</u> per £1k or part-£1k, subject to a minimum payment of <del>£25,197</del> <u>£26,604.00</u>
	Recognised <i>trade repositories</i>	<del>£4,199</del> <u>£4,434.00</u>
J.3	Registered <i>securitisation repositories</i>	<del>£10.54</del> <u>£11.37</u> per £1k or part-£1k subject to a minimum payment of <del>£25,197</del> <u>£26,604.00</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 ~~2022~~ 2023 to 31 March ~~2023~~ 2024

Annex

#### 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	<del>14.526</del> <u>14.871</u>
	>140 – 630	<del>14.526</del> <u>14.871</u>
	>630 – 1,580	<del>14.526</del> <u>14.871</u>
	>1,580 – 13,400	<del>18.158</del> <u>18.589</u>
	>13,400	<del>23.968</del> <u>24.537</u>
A.2	Band Width (no. of mortgages and/or <i>home finance transactions</i> )	Fee (£/mortgage)
	>50	<del>2.877</del> <u>3.108</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	<del>351.76</del> <u>384.47</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	<del>19.17</del> <u>21.75</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	<del>220.78</del> <u>240.41</u>
	PLUS	
	Best estimate liabilities for fees purposes	General Periodic fee
	Band Width (£ million of BEL)	Fee (£/£m or part £m of BEL)
	>1	<del>12.55</del> <u>13.72</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	<del>4.353</del> <u>4.727</u>
	Class 1 (C) firms are defined in <i>FEES 4 Annex 1A</i>	
A.9	Band Width (£ million of Gross Income (GI))	Fee (£/£m of part £m of GI)
	>1	<del>937.33</del> <u>1,012.25</u>
A.10	Band Width (no. of traders)	Fee (£/trader)
	>1	<del>6,917.74</del> <u>7,704.66</u>
A.13	For class (2) firms	
	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	<del>2.494</del> <u>2.64</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	<del>1.414</del> <u>1.333</u>
A.18	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	> 100	<del>{the}</del> <u>10.072</u>
A.19	Band Width (£ thousands of Annual Income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	<del>1.693</del> <u>1.811</u>
CC.2	Band Width (£ thousands of annual income (AI))	Fee (£)
	0 – 50	<del>750</del> <u>1,000</u>
	>50 – 100	<del>1,000</del> <u>1,250</u>
	>100	<del>1,151</del> <u>1,500</u>
	<b>PLUS:</b>	

		Fee (£/£ thousand or part £ thousand of AI)
	>250	<del>1.495</del> <u>1.669</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	<del>£1,750</del> <u>1,500</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 <del>£875</del> <u>750</u>

## Part 3

*TA PI firm* or *TA RAISP firm*

Activity group	Fee payable	
G.2	Minimum fee (£)	558
	£ million or part £ million of Modified Eligible Liabilities (MELs)	Fee (£/£m or part £m of MELs)
	>0.1	<del>0.340</del> <u>0.380</u>
G.3	Minimum fee (£)	558
	£ thousands or part £ thousand of Relevant Income	Fee (£/£thousand or part £ thousand of Relevant Income)
	>100	<del>0.454</del> <u>0.360</u>

## Part 4

*TA EMI firms*

Activity group	Fee payable	
G.10	Minimum fee (£)	1,833

	£ million or part £ million of average outstanding electronic money (AOEM)	Fee (£/£m or part £m of AOEM)
	>5.0	<del>12.80</del> <u>20.30</u>

**4A**            **TPR funds periodic fees for the period from 1 April ~~2022~~ 2023 to 31 March**  
**Annex**       **~~2023~~ 2024**  
**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	<del>324.00</del> <u>225.00</u>	1-2	<del>324.00</del> <u>225.00</u>
		3-6	810.00 <u>562.50</u>
		7-15	1,620.00 <u>1,125.00</u>
		16-50	3,564.00 <u>2,475.00</u>
		>50	7,128.00 <u>4,950.00</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~~ 2023/24 fees a reference to 31 March means 31 March ~~2019~~ 2023.

**Part 2**

Scheme type	Fee (£)
<i>EEA AIF</i> , <i>EuVECA</i> , <i>EuSEF</i> , or <i>EEA LTIF</i> which may be marketed in the UK under Part 9A of The Alternative	365

Investment Fund Managers (Amendment) (EU Exit) Regulations 2018	
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## 5 Financial Ombudsman Service Funding

...

## 5 Annual General Levy Payable in Relation to the Compulsory Jurisdiction for Annex 1R 2022/23 2023/24

### Introduction: annual budget

1. The *annual budget* for 2022/23 2023/24 approved by the *FCA* is ~~£291.7m~~ £234.2m.
2. The total amount expected to be raised through the *general levy* in 2022/23 2023/24 will be £106.00m.

### Compulsory jurisdiction - general levy

Industry block	Tariff base	General levy payable by firm
1-Deposit acceptors, <i>home finance providers</i> , <i>home finance administrators</i> (excluding <i>firms</i> in block 14) and <i>dormant asset 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 asset fund operators</i> , the tariff base is the number of eligible activated accounts (8).	<del>£0.150</del> <u>0.129</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)	<del>£0.434</del> <u>0.391</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	<del>£104,739</del> <u>105,410</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).	£0.0509 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> .	<del>£0.592</del> <u>0.383</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> .	<del>£0.42</del> <u>0.265</u> per £1,000 of annual income subject to a minimum fee of £45
10-Corporate finance advisers	Flat fee	Levy of £55
11-fee-paying payment service providers (but excluding <i>firms</i> in any other Industry block)	For <i>authorised payment institutions</i> , <i>registered account information service</i>	£0.0044 per £1,000 of relevant income subject to a minimum levy of £75

except Industry block 18)	<i>providers, electronic money issuers (except for small electronic money institutions), the Post Office Limited, the Bank of England, government departments and local authorities, TA EMI firms, TA PI firms and TA RAISP firms, relevant income as described in FEES 4 Annex 11 Part 3.</i>	
	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 <i>firms</i> in blocks 13, 14 & 15)	<i>Annual income</i> (as defined in <i>MIPRU</i> 4.3) relating to <i>firm's relevant business</i>	<del>£0.857</del> 0.880 per £1,000 of <i>annual income</i> (as defined in <i>MIPRU</i> 4.3) relating to <i>firm's relevant business</i> subject to a minimum levy of £100
18 - <i>fee-paying electronic money issuers</i>	For all <i>fee-paying electronic money issuers</i> except for <i>small electronic money institutions</i> , and <i>TA EMI firms</i> , average outstanding <i>electronic money</i> , as	£0.0001 per £1,000 of average outstanding <i>electronic money</i> subject to a minimum levy of £40

	described in <i>FEES 4 Annex 11 Part 3</i> .	
	For <i>small electronic money institutions</i> , a flat fee	Levy of £50
19 - <i>Credit-related regulated activities with limited permission</i>	For <i>not-for-profit debt advice bodies</i> , a flat fee	Levy of £0
	For all other <i>firms with limited permission</i> , a flat fee	Levy of £35
20 - <i>Credit-related regulated activities</i>	Annual income as defined in <i>FEES 4 Annex 11BR</i>	Levy of £35 Plus <del>£1.181</del> <u>1.555</u> per £1,000 of annual income on income above £250,000
21 - <i>CBTL firms that do not have permission to carry out any regulated activities</i>	Flat fee	Levy of £35
22 - <i>designated credit reference agencies (but excluding firms in any other industry block)</i>	Flat fee	Levy of £75
23 – <i>designated finance platforms (but excluding firms in any other industry block)</i>	Flat fee	Levy of £75
24 – <i>claims management companies</i>	Annual income	Levy of £50 plus <del>£1.20</del> <u>0.67</u> per £1,000 of annual income
25 - <i>funeral plan intermediaries and funeral plan provider</i>	<del>Annual income</del> <u>Flat fee</u>	<del>{tbc}</del> <u>Levy of £35</u>

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**7A SFGB levies**

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7A SFGB money advice levy for the period from 1 April ~~2022~~ 2023 to 31 March  
Annex ~~2023~~ 2024  
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	<del>0.949</del> <u>0.911</u>
A.2	Band Width (no. of mortgages and/or <i>home finance transactions</i> )	Fee (£/mortgage)
	>50	<del>0.449</del> <u>0.428</u>
A.3	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>0.5	<del>21.38</del> <u>19.34</u>
	<b>PLUS</b>	
	Best estimate liabilities for fees purposes (BEL)	
	Band Width (£ million of BEL)	Fee (£/£m or part £m of BEL)
>1	<del>1.24</del> <u>1.14</u>	
A.4	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>1	<del>12.77</del> <u>11.29</u>

	<b>PLUS</b>	
	Best estimate liabilities for fees purposes (BEL)	
	Band Width (£ million of BEL)	Fee (£/£m or part £m of BEL)
	>1	<del>0.726</del> <u>0.643</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	<del>0.0840</del> <u>0.078</u>
	For class 1(B) <i>firms</i> : the fee calculated as for class 1(C) firms above, less 15%.	
	For class 1(A) <i>firms</i> : the fee calculated as for class 1(C) firms above, less 50%.	
	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	<del>96.57</del> <u>79.87</u>
A.10	Band Width (no. of traders)	Fee (£/trader)
	>1	<del>125.43</del> <u>131.71</u>
A.13	For class (2) firms	
	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	<del>0.0487</del> <u>0.0556</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	<del>0.0186</del> <u>0.0158</u>
A.18	Band Width (£ thousands of Annual Income (AI))	Fee ((£/£ thousand or part £ thousand of AI)
	>100	<del>0.135</del> <u>0.117</u>
A.19	Band Width (£ thousands of Annual Income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	<del>0.0215</del> <u>0.0204</u>
A.21	Band Width (£ <i>client money</i> ) (CM) held	Fee (£/£ millions or part £m of CM)
	less than £1 million	<del>1.296</del> <u>1.062</u>
	an amount equal to or greater than £1 million but less than or equal to £1 billion	<del>0.972</del> <u>0.797</u>
	more than £1 billion	<del>0.648</del> <u>0.531</u>
	<b>PLUS</b>	
	<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	0.0045
	an amount equal to or greater than £10 million and less than or equal to £100 billion	0.0034
	more than £100 billion	0.0023
G.3	Minimum fee (£)	10
	£ thousands or part £ thousand of Relevant Income	Fee (£/£thousand or part £ thousand of Relevant Income)

	>100	<del>0.0262</del> <u>0.0229</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	<del>2.472</del> <u>1.574</u>
G.11	Flat fee (£)	10
CC.1	Minimum fee (£)	10
	£ thousand of annual income (AI)	Fee (£/£ thousand or part £ thousand of AI)
	>250	<del>0.1004</del> <u>0.0874</u>
CC.2	Minimum fee (£)	10
	£ thousands of annual income (AI)	Fee (£/£ thousand or part £ thousand of AI)
	>250	<del>0.1004</del> <u>0.0874</u>
Notes		
(1) The definitions of fee-blocks G5 and G10 under Part 2 and Part 2A of <i>FEES</i> 4 Annex 11R are modified, for the purposes of <i>FEES</i> 7A 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</i>

ISPVs); 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.
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**7A SFGB debt advice levy for the period from 1 April ~~2022~~ 2023 to 31  
Annex ~~2023~~ 2024  
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) <del>26.15</del> <u>30.316</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) <del>167.76</del> <u>181.974</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.		

**7A SFGB pensions guidance levy for the period 1 April ~~2022~~ 2023 to 31 March  
Annex ~~2023~~ 2024  
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) <del>3.239</del> <u>2.688</u>

Activity group	SFGB pensions guidance levy payable	
A.4	Band width (£ million of gross written premium for fees purposes (GWP) >1	Fee (£/£m or part £m of GWP) <del>90.49</del> <u>75.08</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) <del>1.0204</del> <u>0.8387</u>
A.9	Band width (£ million of gross income (GI))  >1	Fee (£/£m or part £m of GI) <del>574.63</del> <u>472.87</u>
A.13	Band width (£ thousands of annual income (AI))  >100	Fee (£/£ thousand or part of £ thousand of AI) <del>0.1682</del> <u>0.1533</u>

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**7B The DA levy**

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**7B DA levy for the period from 1 April ~~2022~~ 2023 to 31 March ~~2023~~ 2024****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) <del>3.794</del> <u>3.373</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) <del>24.33</del> <u>20.25</u>
<b>Note:</b>  <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 ~~2022~~ 2023 to 31 March ~~2023~~ 2024**  
**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	<del>0.949</del> <u>0.911</u>
A.2	Band Width (no. of mortgages and/or <i>home finance transactions</i> )	Fee (£/mortgage)
	>50	<del>0.449</del> <u>0.428</u>

A.3	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>0.5	<del>21.38</del> <u>19.34</u>
	<b>PLUS</b>	
	Best estimate liabilities for fees purposes (BEL)	
	Band Width (£ million of BEL)	Fee (£/£m of part £m of BEL)
	>1	<del>1.24</del> <u>1.14</u>
A.4	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>1	<del>12.77</del> <u>11.29</u>
	<b>PLUS</b>	
	Best estimate liabilities for fees purposes (BEL)	
	Band Width (£ million of BEL)	Fee (£/£m or part £m of BEL)
	>1	<del>0.726</del> <u>0.643</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	<del>0.084</del> <u>0.078</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	<del>96.57</del> <u>79.87</u>
A.10	Band Width (no. of traders)	Fee (£/trader)
	>1	<del>125.43</del> <u>131.71</u>



A.13	For class (2) firms	
	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	<del>0.0487</del> <u>0.0556</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	<del>0.0186</del> <u>0.0158</u>
A.18	Band Width (£ thousands of Annual Income (AI))	Fee ((£/£ thousand or part £ thousand of AI)
	>100	<del>0.1350</del> <u>0.177</u>
A.19	Band Width (£ thousands of Annual Income (AI))	Fee (£/£ thousand or part £ thousand of AI)
	>100	<del>0.0215</del> <u>0.0204</u>
CC.2	Minimum fee (£)	10
	£ thousands of annual income (AI)	Fee (£/£ thousand or part £ thousand of AI)
	>250	<del>0.1004</del> <u>0.0874</u>
<b>Part 2 TA PI firms and TA RAISP firms</b>		
G.3	Minimum fee (£)	10
	£ thousands or part £ thousand of Relevant Income	Fee (£/£thousand or part £ thousand of Relevant Income)
	>100	<del>0.0262</del> <u>0.0229</u>
<b>Part 3 TA EMI firms</b>		
G.10	Minimum fee (£)	10
	£ million or part £m of average outstanding electronic money (AOEM)	Fee (£/£m or part £m of AOEM)
	>5.0	<del>2.472</del> <u>1.574</u>
<b>Part 4</b>		

- (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**  
**Annex**  
**2R**

**TPR SFGB debt advice levy for the period from 1 April ~~2022~~ 2023 to 31 March ~~2023~~ 2024**

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

...

**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	
A.2 Home finance providers and administrators	Band width (£million of secured debt)	Fee (£/£m or part £m of secured debt)
	>0	<del>26.15</del> <u>30.316</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)	<del>167.76</del> <u>181.974</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**  
**Annex**  
**3R**

**TPR SFGB pensions guidance levy for the period 1 April ~~2022~~ 2023 to 31 March ~~2023~~ 2024**

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

Activity group	TPR SFGB pensions guidance levy payable
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<i>TP firms</i>		
A.1	Band width (£ million of modified eligible liabilities (MELs))	Fee (£/£m or part £m of MELS)
	>10	<del>3.239</del> <u>2.688</u>
A.4	Gross written premium for fees purposes (GWP)	
	Band Width (£ million of GWP)	Fee (£/£m or part £m of GWP)
	>1	<del>90.49</del> <u>75.08</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	<del>1.0201</del> <u>0.8387</u>
A.9	Band width (£ million of gross income (GI))	Fee (£/£m or part £m of GI)
	>1	<del>574.63</del> <u>472.87</u>
A.13	Band width (£ thousands of annual income (AI))	Fee (£/£ thousand or part of £ thousand of AI)
	>100	<del>0.1682</del> <u>0.1533</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 ~~2022~~ 2023 to 31 March ~~2023~~ 2024**

...

**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	<del>3.791</del> <u>3.373</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)	<del>24.33</del> <u>20.25</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 ~~2022/23~~ 2023/24**

<b>Limited permission (fee-block CC1):</b>	£5 flat rate	
<b>Full authorisation (fee-block CC2):</b>	Up to £250,000 consumer credit income:	£10
	Over £250,000 consumer credit income:	£10 + <del>0.270</del> <u>0.284</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 ~~2022/23~~ 2023/24**  
**Annex 1R**

Activity group	Description	Fee (£)
<b>Activity group CC2. Credit-related regulated activities:</b>	Up to £250,000 consumer credit income:	10
	Over £250,000 consumer credit income:	10 + <del>£0.270</del> <u>0.284</u> per £1,000

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

...

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

...

Part 3

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

Fee payable in relation to <del>2021/22</del> <u>2023/2024</u>	Amount payable (£)
Minimum fee, payable by all <b>professional body supervisors</b> subject to the <b>OPBAS Regulations</b> .	£5,310

<p>Variable fee, payable by <b>professional body supervisors</b> where the number of supervised individuals is 6,000 or more.</p>	<p><del>£35.19</del> <u>£38.57</u> multiplied by the total number of supervised individuals in excess of the threshold of 6,000.</p> <p>[See Note]</p>
<p>[<b>Note:</b> reference to “the number of supervised individuals” is to those supervised individuals calculated in accordance with Part 1.]</p>	

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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)	<b>Registration fee:</b>		
	£100		
(2)	<b>Periodic fee:</b>		
	<b>Activity group</b>	<b>Fee-payer falls in the activity group if:</b>	<b>Fee payable in</b> <u>2022/23</u> <u>2023/24</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> .	£1,062

[**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  
Annex 2    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*.

<b>Fee-block</b>	<b>Fee-payer</b>	<b>Tariff base</b>	<b>Valuation date</b>
G.30	<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*

<b>Tariff rates in relation to <del>2022/23</del> 2023/24</b>	
<b>Fee payable</b>	<b>Amount payable</b>
Minimum fee, payable by all <i>cryptoasset businesses</i>	£2,000
Variable fee, payable in addition to the minimum fee, on income above £100,000	£4.03 <del>8.08</del> per £1,000 or part-£1,000

