

APPLICATION AND PERIODIC FEES (2023/2024) 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 1 April 2023.

Amendments to the Handbook

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

Citation

- F. This instrument may be cited as the Application and Periodic Fees (2023/2024) Instrument 2023.

By order of the Board
30 March 2023

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

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

Application type	Applicable pricing category in FEES 3 Annex 1AR
<i>Credit rating agency</i>	5
<i>Trade repository</i>	5 <u>6</u>
Third country <i>firm</i> seeking certification as a <i>credit rating agency</i>	4
Third country <i>firm</i> seeking recognition of a <i>trade repository</i>	4 <u>5</u>
<i>Securitisation repository</i>	5 <u>6</u>

3 Annex Other FCA application fees
14R

	Application type	Pricing category in FEES 3 Annex 1AR	Due date	
...				
6	Applications under the <i>Data Reporting Services Regulations DRS Regulations</i> in relation to <i>MiFID</i> and/or <i>MiFIR</i> and/or <i>MAR</i>			
	(a)	Application for authorisation under regulation 7 of the <i>DRS Regulations</i> , or the operator of a <i>trading venue</i> seeking verification of their compliance with Title V of <i>MiFID</i> under regulation 8 of the <i>DRS Regulations</i> . The pricing categories in either (a)(i), (ii) or (iii) below apply		
	(i)	Application to operate one <i>data reporting service</i> , plus 50% of the fee for each additional service applied for	£ 6	On the date the application is made
	(ii)	Application to operate more than one data reporting services	50% of £ 6 for each additional service plus £ 6	
	(iii)	Variation of an authorisation under regulation 12 of the <i>DRS Regulations</i>	50% of £ 6	
...				
...				

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4 Periodic fees

...

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

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Part 3

This table indicates the tariff base for each fee-block set out in Part 1.

The tariff base in this Part is the means by which the *FCA* measures the amount of business conducted by a *firm* for the purposes of calculating the annual periodic fees payable to the *FCA* by that *firm*.

Activity group	Tariff base
...	
A.9	<p>GROSS INCOME(1) For <i>AIFMs</i> (excluding <i>internally managed AIFs</i>), <i>management companies</i>, <i>operators</i> (including <i>ACDs</i> and <i>authorised fund managers of unit trusts</i> or <i>authorised contractual schemes</i> but excluding <i>operators of a personal pension scheme</i> or a <i>stakeholder pension scheme</i>) and <i>residual CIS operators</i> gross income from the activity relating to fee-block A.9 is defined as:</p> <p>the amount of the annual charge on investments in the <i>fund</i> received or receivable in the latest accounting period (this is calculated as a % of funds invested, typically 1% p.a., <u>excluding any additional ad hoc charges such as performance fees</u>);</p> <p>...</p>
...	

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

<p>Part 1</p> <p>This table shows the tariff rates applicable to each of the fee blocks set out in Part 1 of FEES 4 Annex 1AR.</p>
...

Activity group	Fee payable	
...		
CC1. Credit-related regulated activities with limited permission	Band Width (£ thousands of annual income (AI))	Fee (£)
	...	
CC2. Credit-related regulated activities	Band Width (£ thousands of annual income (AI))	Fee (£/£ thousand or part £ thousand of AI) (£)
	...	
	PLUS:	
		Fee (£/£ thousand or part £ thousand of AI) (£)
	...	
	<p>A fee payer which falls into fee blocks A.0 and CC2. pays a fee of £0 (£/£ thousand or part £ thousand of annual income (AI)) in relation to income falling within the CC2. fee block up to a Band Width (£ thousands of AI) of 250.</p>	

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 in relation to the period 1 April 2022 to 31 March 2023

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*.

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Part 3	
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</i> , <i>fee-paying electronic money issuers</i> , <i>CBTL firms</i> , <i>data reporting services providers</i> , <i>firms</i> registered under the <i>Money Laundering Regulations</i> , <i>issuers of regulated covered bonds</i> and <i>third party verifiers</i> .	
Activity group	Tariff base
...	
G.25	<p>Not applicable <u>APPLICABLE TURNOVER</u></p> <p><u>This is the sum of revenues generated from:</u></p> <p><u>(1) UK ARM services;</u></p> <p><u>(2) UK APA services;</u></p> <p><u>PLUS:</u></p> <p><u>where the same legal entity provides the registered DRSP service:</u></p> <p><u>(3) ancillary service to UK ARM services; and</u></p> <p><u>(4) ancillary service to UK APA services.</u></p>
...	

Part 4 - Valuation period	
<p>This table indicates the valuation date for each fee-block. A <i>fee-paying payment service provider</i>, a <i>fee-paying electronic money issuer</i>, a <i>regulated covered bond issuer</i> and a <i>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.15	...
<u>G.25</u>	<u>Applicable turnover for the financial year ended in the calendar year ending 31 December.</u>
...	

Part 5 - Tariff rates		
Activity group	Fee payable in relation to 2022/23	
...		
G.25	<p>Flat fee (£) for first <i>data reporting service</i> plus 50% flat fee for each additional <i>data reporting service</i> for which the <i>data reporting services provider</i> has authorisation. <u><i>Data reporting services providers.</i></u></p>	<p><u>29,020 £[tbc] per £1,000 or part-£1,000, subject to a minimum payment of £[tbc]</u></p>
...		