

**PRA RULEBOOK: PRA FEES AMENDMENT (NO 1) INSTRUMENT 2023****Powers exercised**

- A. The Prudential Regulation Authority (“PRA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137G (The PRA’s general rules);
  - (2) section 137T (General supplementary powers); and
  - (3) paragraph 31 (Fees) of Part 3 (Penalties and Fees) of Schedule 1ZB (The Prudential Regulation Authority) of the Act.
- B. The rule-making powers referred to above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

**Pre-conditions to making**

- C. In accordance with section 138J of the Act (Consultation by the PRA), the PRA consulted the Financial Conduct Authority. After consulting, the PRA published a draft of the proposed rules and had regard to representations made.

**PRA Rulebook: PRA Fees Amendment (No 1) Instrument 2023**

- D. The PRA makes the rules in the Annex to this instrument.

**Commencement**

- E. This instrument comes into force on 3 July 2023.

**Citation**

- F. This instrument may be cited as the PRA Rulebook: PRA Fees Amendment (No 1) Instrument 2023.

**By Order of the Prudential Regulation Committee**

27 June 2023

## Annex

## Amendments to the Fees Part

In this Annex new text is underlined and deleted text is struck through.

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## 2 OBLIGATION TO PAY FEES

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2.9 If it appears to a *firm* in relation to any fee that in the exceptional circumstances of a particular case requiring payment or retaining a sum previously paid would be unduly burdensome or would not achieve the purpose for which the fee rule was made, a *firm* may apply to the *PRA* under section 138A *FSMA* for the *PRA* to:

- (1) waive the payment;
- (2) reduce the amount payable; or
- (3) make a whole or partial refund of sums already paid.

[Deleted.]

2.10 A claim by a *fee payer* under section 138A *FSMA*, in accordance with 2.9 and based on the *fee payer's* error must be made within two years of the beginning of the period to which the fee relates.

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## 3 PERIODIC FEES

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3.14 If, after the start of the *fee year*, a *firm* applies to cancel its *Part 4A permission* or if a new business activity or event which has given rise to a fee no longer applies to the *firm*, the *firm* is still liable to pay and will not be refunded *periodic* and other fees for that *fee year*, other than in cases where the *PRA* exercises its discretion under section 138A *FSMA*, in accordance with 2.9.

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### Periodic Fees Schedule – Fee Rates and Modification for the Period from 1 March ~~2022~~2023 to ~~2829~~ February 20232024

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TABLE IIIA – PERIODIC FEE RATES APPLICABLE TO PRA FEE BLOCKS OTHER THAN THE MINIMUM FEE BLOCK FOR THE FEE YEAR ~~2022~~2023-2324

Column 1 <i>Fee block</i>	Column 2 <i>Tariff base</i>	Column 3 <i>Tariff bands</i>	Column 4 <i>Tariff rates</i>
A1 deposit acceptors fee block	<i>modified eligible liabilities</i>	Bank width (£million of <i>MELs</i> )	Fee payable per million or part million of <i>MELs</i> (£)
		>10 - 140	<del>34.95</del> <u>132.831</u>
		>140 – 630	<del>34.95</del> <u>132.831</u>

		>630 - 1,580	<u>34.95132.831</u>
		>1,580 - 13,400	<u>43.68941.039</u>
		> 13,400	<u>57.66954.171</u>
<b>A3 general insurers fee block</b> <i>gross written premium for fees purposes, best estimate liabilities for fees purposes</i>	<i>gross written premium for fees purposes</i>	<b>Band width (£million of gross written premium for fees purposes)</b>	<b>Fee payable per million of gross written premium for fees purposes (£)</b>
		>0.5	<u>558.66488.57</u>
	<i>best estimate liabilities for fees purposes</i>	<b>Band Width (£ million of best estimate liabilities for fees purposes)</b>	<b>Fee payable per million of best estimate liabilities for fees purposes (£)</b>
		>1	<u>32.2030.81</u>
For UK ISPVs the <i>tariff rates</i> are not relevant and a flat fee of £430.00 is payable in respect of each <i>fee year</i> .			
<b>A4 Life insurers fee block</b> <i>gross written premium for fees purposes, best estimate liabilities for fees purposes</i>	<i>gross written premium for fees purposes</i>	<b>Band width (£million of gross written premium for fees purposes)</b>	<b>Fee payable per million of gross written premium for fees purposes (£)</b>
		>1	<u>308.62301.96</u>
	<i>best estimate liabilities for fees purposes</i>	<b>Band Width (£ million of best estimate liabilities for fees purposes)</b>	<b>Fee payable per million of best estimate liabilities for fees purposes (£)</b>
		>1	<u>17.3520.30</u>
<b>A5 managing agents at Lloyd's</b>	<i>active capacity</i>	<b>Band width (£million of active capacity)</b>	<b>Fee payable per million of active capacity (£)</b>
		>50	<u>48.4139.39</u>
<b>A6 Society of Lloyd's</b>	flat fee	N/A	<b>General periodic fee (£)</b>
			<u>2,300,201.832,311,994.57</u>
<b>A10 Firms dealing as principal fee block</b>  <i>total assets for fees purposes, total operating income for fees purposes</i>	<i>total assets for fees purposes</i>	<b>Band width (£million of total assets for fees purposes)</b>	Fee payable per million or part million of <i>total assets for fees purposes</i> (£)
		N/A	<u>2.792.41</u>
	<i>total operating income for fees purposes</i>	<b>Band width (£million of total operating income for fees purposes)</b>	Fee payable per million or part million of <i>total operating income for fees purposes</i> (£)
		N/A	<u>361.11316.08</u>

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Table VIII – MODEL MAINTENANCE FEES

Basis of scale, (aggregated figures for all <i>UK firms</i> within the scope of each model or model type)	Annual fee for <i>CRR firms</i> per model type_(£)				Annual fee for <i>UK Solvency II firms</i> per group or solo internal model (£)	
	IMA	IMM	IRB	AMA	A3 fee block	A4 fee block
<i>CRD credit institutions</i> with <i>modified eligible liabilities</i> in excess of £40,000million, or <i>designated investment firms</i> with <i>total assets for fees purposes</i> in excess of £100,000million	<del>60,000</del> <u>65,000</u>	<del>80,000</del> <u>85,000</u>	<del>110,000</del> <u>120,000</u>	<del>30,000</del> <u>35,000</u>	-	-
<i>CRD credit institutions</i> with <i>modified eligible liabilities</i> greater than £5,000million and less than £40,000million, or <i>designated investment firms</i> with <i>total assets for fees purposes</i> greater than £12,500million and less than £100,000million	<del>20,000</del> <u>25,000</u>	<del>35,000</del> <u>40,000</u>	<del>45,000</del> <u>50,000</u>	<del>12,000</del> <u>15,000</u>	-	-
<i>CRD credit institutions</i> with <i>modified eligible liabilities</i> of £5,000million or less, or <i>designated investment firms</i> with <i>total assets for fees purposes</i> of £12,500million or less	10,000	15,000	20,000	5,000	-	-
The sum of a <i>firm's best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> is £1,000 million or more for <i>firms</i> in the <i>general insurance fee block (A3)</i> , or for <i>firms</i> in the <i>life insurance fee block (A4)</i> , £15,000million or more	-	-	-	-	<del>175,000</del> <u>190,000</u>	<del>230,000</del> <u>250,000</u>
The sum of a <i>firm's best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> is greater than £300million and less than £1,000million for <i>firms</i> in the <i>general insurance fee block (A3)</i> or greater than £5,000million and less than £15,000million, or for <i>firms</i> in the <i>life insurance fee block (A4)</i>	-	-	-	-	<del>70,000</del> <u>75,000</u>	<del>90,000</del> <u>100,000</u>

The sum of a firm's best estimate liabilities for fees purposes and gross written premium for fees purposes is less than £300million for firms in the general insurance fee block (A3) or less than £5,000million, for firms in the life insurance fee block (A4)	-	-	-	-	30,000	40,000
					35,000	45,000

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**4 REGULATORY TRANSACTION FEES**

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4.5 Regulatory transaction fees for applications for new authorisations are payable in accordance with Table B:

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<b>Table B – New authorisations</b>	
<b>Application Type</b>	<b>£</b>
<del>Straightforward</del> <u>Type 1:</u> A3 or A4 fee payer which is a friendly society or a fee payer which is an A1 credit union	1,500.00
<del>Moderately complex</del> <u>Type 2:</u> A3 fee payer seeking permission as a <del>UK</del> <u>UK</u> insurance special purpose vehicle A5 fee payer seeking permission as a managing agent at Lloyd's	5,000.00
<del>Complex</del> <u>Type 3:</u> A1 fee payer (other than a credit union) seeking permission to accept deposits A3 fee payer (other than a friendly society or UK insurance special purpose vehicle) A4 fee payer other than a friendly society	25,000.00

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(3) Where an application is categorised as either ~~straightforward~~ or ~~moderately complex~~ and for a new authorisation involves a simple change of legal status as defined in 4.5 (4), the fee payable for a ~~new authorisation~~ for that new authorisation is discounted by 50%.

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4.14A

Table D - Model types under CRR

<b>Applicant</b> (groupings based on <i>tariff data</i> submitted by <i>firms</i> as at 31 December in the <i>fee year</i> prior to the <i>fee year</i> in which the fee is payable).	<b>Fee payable (£)</b>	
Where the application relates to <i>CRD credit institutions</i> or <i>designated investment firms</i> and includes five or more significant overseas entities within the same group.	<b>Model type</b>	<b>£</b>
	<i>advanced IRB, IMM or IMA</i>	<del>315,000.00</del> <u>345,000.00</u>
	<i>foundation IRB</i>	<del>270,000.00</del> <u>300,000.00</u>
	<i>AMA</i>	<del>210,000.00</del> <u>230,000.00</u>
Where the applicant:  (1) has <i>modified eligible liabilities</i> in excess of £40,000million; or  (2) is a <i>designated investment firm</i> with <i>total assets for fees purposes</i> in excess of £100,000million.	<b>Model type</b>	<b>£</b>
	<i>advanced IRB, IMM or IMA</i>	<del>270,000.00</del> <u>295,000.00</u>
	<i>foundation IRB</i>	<del>230,000.00</del> <u>250,000.00</u>
	<i>AMA</i>	<del>170,000.00</del> <u>185,000.00</u>
Where the applicant:  (1) has <i>modified eligible liabilities</i> greater than £5,000million and less than £40,000million; or  (2) is a <i>designated investment firm</i> with <i>total assets for fees purposes</i> greater than £15,000million and less than £100,000million.	<b>Model type</b>	<b>£</b>
	<i>advanced IRB, IMM or IMA</i>	<del>110,000.00</del> <u>120,000.00</u>
	<i>foundation IRB</i>	<del>85,000.00</del> <u>90,000.00</u>
	<i>AMA</i>	<del>60,000.00</del> <u>65,000.00</u>
Where the applicant:  (1) has <i>modified eligible liabilities</i> of 5,000million or less; or  (2) is a <i>designated investment firm</i> with <i>total assets for fees purposes</i> of £15,000million or less.	<b>Model type</b>	<b>£</b>
	<i>advanced IRB, IMM or IMA</i>	<del>50,000.00</del> <u>55,000.00</u>
	<i>foundation IRB</i>	<del>35,000.00</del> <u>40,000.00</u>

	AMA	30,000.00 <u>35,000.00</u>
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4.14B

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Table E – Internal model application fees

Applicant (groupings based on <i>tariff data</i> submitted by <i>firms</i> as at 31 December in the <i>fee year</i> prior to the <i>fee</i> <i>year</i> in which the fee is payable)	Fee payable (£)
<b>Group Internal Model (Full and Partial)</b>	
Sum of <i>best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> for groups in the <i>general insurance fee block</i> of £1,000million or more	295,000.00 <u>320,000.00</u>
Sum of <i>best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> for groups in the <i>general insurance fee block</i> greater than £300million and less than £1,000million	410,000.00 <u>120,000.00</u>
Sum of <i>best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> for groups in the <i>general insurance fee block</i> less than £300million	55,000.00 <u>60,000.00</u>
Sum of <i>best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> for groups in the <i>life insurance fee block</i> of £15,000million or more	295,000.00 <u>320,000.00</u>
Sum of <i>best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> for groups in the <i>life insurance fee block</i> greater than £5,000million and less than £15,000million	410,000.00 <u>120,000.00</u>
Sum of <i>best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> for groups in the <i>life insurance fee block</i> less than £5,000million	55,000.00 <u>60,000.00</u>
<b>Solo Internal Model (Full and Partial)</b>	
Sum of <i>best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> for firms in the <i>general insurance fee block</i> of £1,000million or more	232,000.00 <u>280,000.00</u>
Sum of <i>best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> for firms in the <i>general insurance fee block</i> greater than £300million and less than £1,000million	80,000.00 <u>100,000.00</u>
Sum of <i>best estimate liabilities for fees purposes</i> and <i>gross written premium for fees purposes</i> for firms in the <i>general insurance fee block</i> less than £300million	42,000.00 <u>50,000.00</u>

Sum of <i>best estimate liabilities for fees purposes and gross written premium for fees purposes for firms in the life insurance fee block</i> of £15,000million or more	<del>232,000.00</del> <u>280,000.00</u>
Sum of <i>best estimate liabilities for fees purposes and gross written premium for fees purposes for firms in the life insurance fee block</i> greater than £5,000million and less than £15,000million	<del>80,000.00</del> <u>100,000.00</u>
Sum of <i>best estimate liabilities for fees purposes and gross written premium for fees purposes for firms in the life insurance fee block</i> less than £5,000million	<del>42,000.00</del> <u>50,000.00</u>