

PERIODIC FEES (PENSIONS GUIDANCE PROVIDERS) INSTRUMENT 2015

Powers exercised

- A. The Financial Conduct Authority 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 137T (General supplemental powers);
 - (2) section 139A (Power of the FCA to give guidance);
 - (3) section 333Q (Funding of FCA’s pensions guidance costs); and
 - (4) paragraph 23 of schedule 1ZA (Fees).
- B. The rule-making powers listed above are specified for the purpose of section 138G (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 19 June 2015.

Amendments to the FCA Handbook

- D. The Glossary of definitions is amended in accordance with Annex A to this instrument.
- E. The Fees manual (FEES) is amended in accordance with Annex B to this instrument.

Citation

- F. This instrument may be cited as Periodic Fees (Pensions Guidance Providers) Instrument 2015.

By order of the Board of the Financial Conduct Authority
18 June 2015

Annex A

Amendments to the Glossary of definitions

Insert the following new definition in the appropriate alphabetical position. The text is not underlined.

*pensions
guidance
providers' levy* the amount payable to the *FCA* by each *designated guidance provider* to which *FEES* 11 (Pensions guidance providers' levy) applies.

Annex B

Amendments to the Fees manual (FEES)

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

1 Fees Manual

1.1 Application and Purpose

...

1.1.1D G FEES 11 (Pensions guidance providers' levy) relates to the pensions guidance providers' levy.

...

2 General Provisions

2.1 Introduction

...

2.1.1A R This chapter does not apply in relation to:

...

(4) ...

(5) *the pensions guidance levy; or*

(6) *the pensions guidance providers' levy.*

...

After FEES10 insert the following new chapter. The text is not underlined.

11 Pensions guidance providers' levy

11.1 Application, purpose and background

Application

11.1.1 R This chapter applies to a *designated guidance provider*.

Purpose

11.1.2 G This chapter sets out *rules* governing the amounts payable by *designated*

guidance providers to the *FCA* to fund the *FCA*'s pensions' guidance costs (see *FEES* 11.1.4G).

Background

- 11.1.3 G The *FCA*'s pensions guidance costs are defined in section 333Q(4) (Funding of *FCA*'s pensions guidance costs) of the *Act* as the expenses incurred, or expected to be incurred, by the *FCA* in connection with carrying out the functions conferred on it in Part 20A of the *Act* (other than the functions specified in 333R of the *Act*).
- 11.1.4 G (1) Section 333Q(1) of the *Act* requires the *FCA* to make *rules* requiring *designated guidance providers*, or any specified class of *designated guidance provider* to pay to the *FCA* specified amounts or amounts calculated in a specified way.
- (2) Section 333Q(3) of the *Act* sets out that such amounts may include a component to cover the expenses of the *FCA* in collecting the payments and to enable the *FCA* to maintain an adequate reserve.

11.2 Pensions guidance providers' levy

Obligation to pay pensions guidance providers' levy

- 11.2.1 R A *designated guidance provider* in column (B) of the table in *FEES* 11 Annex 1R must pay the *pensions guidance providers' levy* applicable to it in column (C) of that table:
- (1) in full and without deduction; and
- (2) in accordance with this chapter.

Time of payment

- 11.2.2 R A *designated guidance provider* must pay the *pensions guidance providers' levy* applicable to it within 30 days of the date of the invoice to which that sum relates.

Method of payment

- 11.2.3 G A *designated guidance provider* should pay its levy by electronic credit transfer and should notify the *FCA* if it intends to pay in another way.

Late payments

- 11.2.4 R If a *designated guidance provider* does not pay the total amount of the *pensions guidance providers' levy* applicable to it before the end of the date on which it is due, it must pay:
- (1) an administrative fee of £250; plus

- (2) interest on any unpaid part of the levy at an annual rate of 5% above the Official Bank Rate from time to time in force, accruing daily from the date on which the amount concerned became due.

Reduction, remission and repayment of levy

- 11.2.5 G The *FCA* may reduce or remit all or part of the *pensions guidance providers' levy* applicable to a *designated guidance provider* if it appears to the *FCA* that in the exceptional circumstances of a particular case paying all or part of it would be inequitable.
- 11.2.6 G The *FCA* may refund all or part of the *pensions guidance providers' levy* applicable to a *designated guidance provider* if it appears to the *FCA* that in the exceptional circumstances of a particular case the *FCA* retaining all or part of it would be inequitable.
- 11.2.7 G The *FCA* may not consider a claim to refund a *pensions guidance providers' levy* due to a mistake of fact or law by the *designated guidance provider* if the claim is made more than two years after the beginning of the fee year to which the levy relates

Recovery of levies

- 11.2.8 G (1) The *FCA* may recover the *pensions guidance providers' levy* from a *designated guidance provider* as a debt owed by it to the *FCA* under paragraph 23(8) of Schedule 1ZA of the *Act*.
- (2) The *FCA* will consider taking action for recovery (including interest) through the civil courts.

Revocation of designation as pensions' guidance provider

- 11.2.9 G The *FCA* will not relieve or refund the *pensions guidance providers' levy* paid by a *designated guidance provider* if the Treasury revokes that provider's designation under section 333E(3) of the *Act* after the start of that *fee year*.

Becoming a designated guidance provider

- 11.2.10 R If the Treasury designates a *person* as a *designated guidance provider* under section 333E(1)(e) of the *Act* in the course of a *fee year*, the following formula must be used to calculate the *pensions guidance providers' levy* to be paid by that provider for that *fee year*:

(1)	calculate the number of <i>months</i> between and including:	
	(i)	the <i>month</i> in which the <i>person</i> became a <i>designated guidance provider</i> ; and
	(ii)	the last month of the relevant <i>fee year</i> ;

(2)	divide the number of <i>months</i> calculated in (1) by 12;
(3)	multiply the <i>pension guidance providers' levy</i> set out in column (C) of row 5 of the table at FEES 11A Annex 1R by the number calculated in (2).

VAT

- 11.2.11 R (1) All *pensions guidance providers' levies* payable under FEES 11 are stated net of value-added tax (VAT).
- (2) Where VAT is applicable, this must also be included.

11 Annex 1R Pensions guidance providers' levy for the period 1 April 2015 to 31 March 2016

The table below shows the *pensions' guidance providers levy* applicable to the *designated guidance providers* for the *fee year* 1 April 2015 to 31 March 2016.

(A) Row	(B) Name of designated guidance provider	(C) Pensions guidance providers' levy payable
1	The Pensions Advisory Service Limited	£150,000
2	The National Association of Citizens Advice Bureaux	£150,000
3	The Scottish Association of Citizens Advice Bureaux	£150,000
4	The Northern Ireland Association of Citizens Advice Bureaux	£150,000
5	Any other person designated as a <i>designated guidance provider</i> between 1 April 2015 and 31 March 2016	£150,000, adjusted in accordance with the formula at FEES 11.2.10R