

**FEES (PAYMENT SYSTEMS REGULATOR) INSTRUMENT (No 1) 2023**

**Powers exercised**

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the following powers and related provisions:
- (1) paragraph 9 (Funding) of Schedule 4 (The Payment Systems Regulator) of the Financial Services (Banking Reform) Act 2013 (“FSBRA”);
  - (2) in and under Regulation 15 of the Payment Card Interchange Fee Regulations 2015 (SI 2015/1911);
  - (3) in and under Regulation 136 of the Payment Services Regulations 2017 (SI 2017/752); and
  - (4) in the Financial Services and Markets Act 2000 (“the Act”):
    - (a) section 137T (General supplementary powers);
    - (b) section 139A (Power of the FCA to give guidance); and
    - (c) paragraph 23 (Fees) in Part 3 (Penalties and Fees) of Schedule 1ZA (The Financial Conduct Authority).
- B. The rule-making powers listed above are specified for the purpose of paragraph 9 of schedule 4 to FSBRA and section 138G (Rule-making instruments) of the Act.

**Commencement**

- C. This instrument comes into force on 28 April 2023.

**Amendments to the Handbook**

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

**Citation**

- E. This instrument may be cited as the Fees (Payment Systems Regulator) Instrument (No 1) 2023.

By order of the Board  
27 April 2023

## Annex

### Amendments to the Fees manual (FEES)

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

## 9 Payment Systems Regulator funding

### 9.1 Application and purpose

Application

9.1.1 R This chapter applies to:

- (1) *operators of regulated payment systems;*
- (2) *operators of IFR card payment systems; and*
- (2A) *operators of payment systems under the Payment Services Regulations; and*
- (3) *direct payment service providers.*

Purpose

9.1.2 G This chapter sets out how the fee fees payable by *PSR fee payers and other participants* will be calculated, to establish and fund the *PSR*.

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Insert the following new section FEES 9.3 (PSR Special Project Fee) after FEES 9.2. The text is not underlined.

### 9.3 PSR Special Project Fee

9.3.1 R The PSR Special Project Fee (the PSPF) is only payable by *operators of regulated payment systems, operators of IFR card payment systems, and operators of payment systems under the Payment Services Regulation.*

9.3.2 G The purpose of this section is to enable the *PSR* to undertake and fund specific, time-limited projects which relate to one or more *persons* falling within *FEES 9.3.1R* in such a way as to promote the interests of *payment service users* as a whole.

- 9.3.3 R The PSPF becomes payable by a *person* falling within *FEES* 9.3.1R if:
- (1) The *PSR* is to undertake or is already undertaking work (the Project) in relation to or consequential upon the designation of a new *regulated payment system*, new *IFR card payment system*, or new *payment system* under the *Payment Services Regulations*.
  - (2) The *PSR* determines that:
    - (a) the costs for the Project should be met by means of the PSPF, on the basis of an assessment which includes (but is not limited to) the compatibility of the levying of a PSPF in relation to that Project with the regulatory principles applicable to the *PSR* under section 53 of *FSBRA*, and the degree of support which the levying of a PSPF would offer to the *PSR* in discharging its statutory duties; and
    - (b) it is appropriate to charge a PSPF for the Project to an *operator* of the new *regulated payment system*, new *IFR card payment system*, or new *payment system* under the *Payment Services Regulations*.
- 9.3.4 R (1) For each year in which a Project in connection with which the PSPF is payable is anticipated to be undertaken, the PSPF to be charged is calculated by estimating the total expenditure on the Project during that year, comprising the *PSR*'s internal costs and any fees and disbursements the *PSR* reasonably assesses it will be invoiced.
- (2) Where more than one *person* is to be charged a PSPF in relation to that Project, the determination undertaken by the *PSR* pursuant to *FEES* 9.3.3R(2) will include an assessment of the appropriate allocation of the PSPF between those *persons*.
- 9.3.5 G Where a *person* is charged a PSPF in a given year, the PSPF is payable in addition to, and not instead of or as part of, any *PSR fee* which is payable by that *person*.
- 9.3.6 R A *person* who is liable to pay a PSPF must pay it in full to the *FCA*:
- (1) by 1 September of the *fee year* in which the PSPF is invoiced; or
  - (2) if later, within 30 *days* of the date of the invoice.

- 9.3.7 G A *person* who is liable to pay a PSPF should pay it to the *FCA* by direct debit, electronic credit transfer, cheque, Maestro, Visa Debit or by credit card (*Visa / MasterCard* only) or by any other method of payment which the *FCA* permits from time to time.
- 9.3.8 R If a *person* who is liable to pay a PSPF does not pay it in full before the end of the date on which it is due, that *person* must pay to the *FCA*:
- (1) an administrative fee of £250; plus
  - (2) interest on any unpaid part of the fee 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.
- 9.3.9 G
- (1) The *FCA* may recover a PSPF as a debt owed to it under paragraph 23(8) of Schedule 1ZA of the Act.
  - (2) The *FCA* will consider taking action for the recovery (including interest) through the civil courts.
  - (3) In addition, the *FCA* or *PSR* may be entitled to take regulatory action in relation to the non-payment of a PSPF. What action, if any, that is taken by the *FCA* or *PSR* will be decided upon given the particular circumstances of the case.
- 9.3.10 R Where the actual cost of the regulatory work undertaken by the *PSR* on a Project referred to in *FEES* 9.3.3R which is the subject of a PSPF differs in a given year from the total PSPF charged to one or more *persons* in relation to that Project for that year:
- (1) Where the actual cost exceeds the total PSPF charged in respect of that Project in that year, the additional cost (or, if more than one *person* was charged the PSPF in relation to that Project, a share of the additional cost proportionate to the share of the PSPF for that Project allocated pursuant to *FEES* 9.3.4R(2) to that *person*) will, in the following year:
    - (a) be added to the PSPF to be invoiced to the *person* or *persons*; or
    - (b) if the Project has come to an end, be invoiced as a PSPF to the *person* or *persons*.
  - (2) Where the actual cost is lower than the total PSPF charged in respect of that Project in that year, the difference (or, if more than one *person* was charged the PSPF in relation to that Project, a share of the difference proportionate to the share of

the PSPF for that Project allocated pursuant to *FEES* 9.3.4R(2) to that *person*) will, in the following year:

- (a) be deducted from the PSPF invoiced to the *person* or *persons*; or
- (b) if the Project has come to an end, be refunded to the *person* or *persons*.