

**PRA RULEBOOK: PRA FEES AMENDMENT (NO 1) INSTRUMENT 2022****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.

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

**Commencement**

- E. This instrument comes into force on 1 July 2022.

**Citation**

- F. This instrument may be cited as the PRA Rulebook: PRA Fees Amendment (No 1) Instrument 2022.

**By order of the Prudential Regulation Committee**

27 June 2022

## Annex

### Amendments to the Fees Part

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

#### 1 Application and Definitions

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1.2 In this Part, the following definitions shall apply:

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~~former freedom of services provider~~

means ~~firms~~ which, immediately prior to ~~IP completion day~~, relied on an EEA or Treaty right to provide services in the ~~United Kingdom~~ without using a physical presence there to offer or provide those services, and which immediately after ~~IP completion day~~, are authorised by the PRA as a result of the EEA Passport Rights (Amendment, etc and Transitional Provisions) (EU Exit) Regulations 2018 in relation to those services, and continue not to use a physical presence in the ~~United Kingdom~~ to offer or provide them.

...

#### 3 Periodic Fees

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3.6 ...

(3A) ~~for third country branches, former freedom of service providers and Gibraltar-based firms~~, the information required for the ~~tariff base~~ is in relation to PRA regulated activities of the firm carried on from offices in the ~~United Kingdom~~.

...

3.11 ...

(3) ~~A former freedom of service provider, who does not carry on any PRA-regulated activities from an establishment in the UK, shall pay a flat rate periodic fee of £600.00. [Deleted.]~~

...

**Periodic Fees Schedule – Fee Rates and Modifications for the Period from ~~1 March 2021 to 28 February 2022~~ 1 March 2022 to 28 February 2023**

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TABLE IIIA – PERIODIC FEE RATES APPLICABLE TO PRA FEE BLOCKS OTHER THAN THE MINIMUM FEE BLOCK FOR THE FEE YEAR ~~2021-22~~ 2022-23

<b>Column 1</b> <i>Fee block</i>	<b>Column 2</b> <i>Tariff base</i>	<b>Column 3</b> <i>Tariff bands</i>	<b>Column 4</b> <i>Tariff rates</i>
<b>A1 deposit acceptors fee block</b>	<i>modified eligible liabilities</i>	<b>Band width (£million of MELs)</b>	<b>Fee payable per million or part million of MELs (£)</b>
		>10 – 140	<u>33.24234.951</u>
		>140 - 630	<u>33.24234.951</u>
		> 630 – 1,580	<u>33.24234.951</u>
		> 1,580 – 13,400	<u>41.55343.689</u>
		> 13,400	<u>54.84957.669</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>532.32-558.66</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>29.2632.20</u>
		...	
<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>288.61308.62</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>46.5017.35</u>
<b>A5 Managing agent 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>49.02-48.41</u>
<b>A6 Society of Lloyd's</b>	<b>flat fee</b>	<b>N/A</b>	<b>General periodic fee (£)</b>

			2,149,488.89
			<u>2,300,201.83</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>2.362.79</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>356.23361.11</u>

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Table VIII – MODEL MAINTENANCE FEES

	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
Basis of scale, (aggregated figures for all <i>UK firms</i> within the scope of each model or model type)						
<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>55,000</del> <u>60,000</u>	<del>75,000</del> <u>80,000</u>	<del>100,000</del> <u>110,000</u>	<del>25,000</del> <u>30,000</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	20,000	<del>30,000</del> <u>35,000</u>	<del>40,000</del> <u>45,000</u>	<del>10,000</del> <u>12,000</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	<del>8,000</del> <u>10,000</u>	<del>12,000</del> <u>15,000</u>	<del>16,000</del> <u>20,000</u>	<del>4,000</del> <u>5,000</u>	-	-
The sum of a firm's best estimate liabilities for fees purposes and gross written	-	-	-	-	<del>160,000</del> <u>175,000</u>	<del>210,000</del> <u>230,000</u>

<i>premiums for fees purposes is £1,000 million or more for firms in the general insurance fee block (A3), or for firms in the life insurance fee block (A4), £15,000million or more</i>						
The sum of a firm's best estimate liabilities for fees purposes and gross written premium for fees purposes is greater than £300million and less than £1,000million for firms in the general insurance fee block (A3) or greater than £5,000million and less than £15,000million, or for firms in the life insurance fee block (A4)	-	-	-	-	<del>65,000</del> <u>70,000</u>	<del>80,000</del> <u>90,000</u>
The sum of a firm's best estimate liabilities for fees purposes and gross written premiums 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)	-	-	-	-	<del>28,000</del> <u>30,000</u>	<del>35,000</del> <u>40,000</u>

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#### 4 Regulatory Transaction Fees

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4.7 ...

(4) ...

(a) fee block A1 in respect of a credit union or fee block ~~A3~~A4 in respect of a friendly society, it shall be £1,500.00;

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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>268,000.00</del> <u>315,000.00</u>
	<i>foundation IRB</i>	<del>232,000.00</del> <u>270,000.00</u>
	<i>AMA</i>	<del>481,000.00</del> <u>210,000.00</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>232,000.00</del> <u>270,000.00</u>
	<i>foundation IRB</i>	<del>498,000.00</del> <u>230,000.00</u>
	<i>AMA</i>	<del>146,000.00</del> <u>170,000.00</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 £1000,000million.	<b>Model type</b>	<b>£</b>
	<i>advanced IRB, IMM or IMA</i>	<del>94,000.00</del> <u>110,000.00</u>
	<i>foundation IRB</i>	<del>72,000.00</del> <u>85,000.00</u>
	<i>AMA</i>	<del>51,000.00</del> <u>60,000.00</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>42,000.00</del> <u>50,000.00</u>
	<i>foundation IRB</i>	<del>30,000.00</del> <u>35,000.00</u>
	<i>AMA</i>	<del>24,000.00</del> <u>30,000.00</u>

4.14B ...

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 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	268,000.00 <u>295,000.00</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	400,000.00 <u>110,000.00</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	50,000.00 <u>55,000.00</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	268,000.00 <u>295,000.00</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	400,000.00 <u>110,000.00</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	50,000.00 <u>55,000.00</u>
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...	...

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## 5 Special Project Fee for Restructuring

Application

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5.1A In this Chapter “*firm*” includes an *FCA* authorised *firm* seeking to vary its *Part 4A permission* to include a *PRA regulated activity*.

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5.7 ...

(2) ...

SPF hourly rates	
<b>Pay grade of persons employed by the PRA</b> <b><i>PRA</i></b>	<b>Hourly rate</b>
Administrator	<del>£55.00</del> £60.00
Associate	<del>£115.00</del> £130.00
Technical specialist	<del>£170.00</del> £190.00
Manager	<del>£215.00</del> £250.00
Any other person employed by the <i>PRA</i>	<del>£320.00</del> £350.00

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