

CONSULTATION PAPER
ON PROPOSALS FOR
FEE RATES FOR 2024

ISSUED 26 JULY 2023



Guernsey Financial
Services Commission

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1. Executive Summary

1.1. Consultation Overview

- 1.1.1. The Guernsey Financial Services Commission (the “Commission”) is issuing this Consultation Paper on proposals for the fee rates and administrative penalties to apply from 1 January 2024, including:
- an overall proposed increase in fees of 7.3% (1% lower than current Guernsey inflation) for all fees except those introduced in 2023, to maintain the real value of our income considering current inflation rates,
 - A rebalancing of fees within the insurance sector on request of the industry body with an aim to provide greater competition with other jurisdictions,
 - An increase in the regulatory fee when operating an exchange within the Bailiwick, and
 - An update to the fees for VASPs within an Actively Managed Certificate (‘AMC’) structure.
- 1.1.2. Our aim is to ensure that the Commission is able to meet its ongoing costs, which have been increasing in the recent inflationary environment, retain our skilled and experienced staff and have a prudent level of reserves to meet any future unexpected costs.
- 1.1.3. These fees, being slightly under the rate of inflation for Guernsey in March 2023, are proposed on the basis that the Commission aims through 2024 to use reserves to cover some portion of its ongoing costs, including our technology investment programme.
- 1.1.4. We are conscious however, that there are a range of uncertainties in 2024 such as the possibility of a UK recession that could impact new business for Guernsey, possible actions required after the MoneyVal visit and the ongoing costs of a robust and reputable enforcement process.
- 1.1.5. The goal for this Consultation Paper is to elicit feedback on the proposed 2024 fee rates.

1.2. Affected and Interested Parties

- 1.2.1. These proposals would directly affect the majority of existing licensees, registered entities, and authorised entities, as well as any applicants for licensing or registration. This Consultation Paper has also been shared with governmental bodies and industry bodies in the Bailiwick. A full list of parties with whom this Consultation Paper has been shared is included in section 3.3.

1.3. Providing Feedback

- 1.3.1. Responses to this Consultation Paper are requested [by 20 September 2023](#).
- 1.3.2. We welcome and strongly encourage respondents to provide feedback or comment. Responses are most useful when they:
- directly address a specific issue or question,

- provide a rationale and support for the opinions expressed, and
- suggest alternative solutions in the event of disagreement.

1.3.3. Feedback may be provided online through the Consultation Hub section of the Commission’s website, <https://consultationhub.gfsc.gg/>. We also welcome meetings with industry bodies, or firms, when they have specific feedback that they would like to give.

1.3.4. Following appropriate consideration of any feedback received the Commission will provide a summary of feedback received, along with the final fees that will come into force from 1 January 2024, within a feedback paper on our website.

2. The Commission’s Mission Statement

2.1.1. The Commission seeks to regulate and supervise financial services in the Bailiwick of Guernsey with integrity, proportionality, and professional excellence, and in doing so help uphold the international reputation of the Bailiwick of Guernsey as a finance centre.

3. Purpose and Scope of this Consultation Paper

3.1. Purpose

- 3.1.1. This Consultation Paper seeks to detail the Commission’s proposals for fee rates for 2024, including changes to existing fees where appropriate.
- 3.1.2. This Consultation Paper is on proposed fees and administrative penalties to be issued under:
- The Financial Services Business (Enforcement Powers) (Bailiwick of Guernsey) Law, 2020,
 - The Companies (Guernsey) Law, 2008 (“the Companies Law”),
 - The Limited Partnerships (Guernsey) Law, 1995,
 - The Limited Liability Partnerships (Guernsey) Law, 2013,
 - The Criminal Justice (Proceeds of Crime) (Bailiwick of Guernsey) Law, 1999, and
 - the following laws, collectively referred to as “the Supervisory Laws”:
 - The Banking Supervision (Bailiwick of Guernsey) Law, 2020,
 - The Insurance Business (Bailiwick of Guernsey) Law, 2002,
 - The Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law, 2002,
 - The Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2020,
 - The Protection of Investors (Bailiwick of Guernsey) Law, 2020, and
 - The Lending, Credit and Finance (Bailiwick of Guernsey) Law, 2022.

3.2. Approach to Setting Fees

- 3.2.1. The Commission aims to set fees that are fair, proportionate, and broadly aligned with the costs of regulation, as far as is reasonably practicable in each case.
- 3.2.2. For supervised firms, this is reflected through our use of bandings for charging fees. For most sectors this means that larger firms pay a higher fee, which reflects the additional resources the Commission dedicates to supervising such firms.
- 3.2.3. For applications, individuals and firms that make a request requiring due consideration by the Commission, such as a new licence application or change of controller, pay for it.

3.3. Parties with whom we are consulting

- 3.3.1. This Consultation Paper will affect the majority of licensees, collective investment schemes, registered business, registered individuals, and applicants for licensing, registration, or authorisation, pursuant to the Supervisory Laws.
- 3.3.2. As required by section 13(b) of the Financial Services Commission (Bailiwick of Guernsey) Law, 1987, and the relevant provisions of the Supervisory Laws, this Consultation Paper has been shared with the following bodies:
- States of Guernsey, Policy & Resources Committee,
 - States of Guernsey, Committee *for* Economic Development,
 - States of Alderney, Policy & Finance Committee, and

- Chief Pleas of Sark, Policy & Finance Committee.

3.3.3. This Consultation Paper has also been shared with the:

- Guernsey International Business Association,
- Association of Guernsey Banks,
- Guernsey Investment and Funds Association,
- Guernsey International Insurance Association,
- Guernsey Association of Trustees,
- Guernsey Association of Pension Providers,
- Guernsey Branch of the Institute of Directors,
- NED Forum,
- Commercial Bar Association,
- Guernsey Bar Council,
- Guernsey Association of Compliance Officers, and
- Guernsey Society for Chartered and Certified Accountants.

4. Proposals

4.1. Overall Increase in Fees

- 4.1.1. The Commission is seeking an overall increase in the level of fees reflective of inflation for the majority of licensed, authorised, or registered entities, with our rationale set out below. This has been set at 7.3%, as it reflects current market conditions in Guernsey being 1% below Guernsey inflation as of March 2023, our forecast requirements for the next year and our current financial position, given our performance against budget to-date in 2023 and levels of usable reserves.
- 4.1.2. Our assessment takes into account the increasing costs the Commission has been experiencing in 2023, the need to retain and recruit skilled staff and develop the IT and data management systems and infrastructure necessary to ensure the Commission can continue to meet its international regulatory obligations.
- 4.1.3. We are also conscious that there are a range of uncertain outcomes in 2024; firstly, whether the UK will enter into a recession and the impact of this on Guernsey especially with regards to our authorisations. Secondly, the probability that whatever the outcome of our MoneyVal visit in 2024 there will in all likelihood be actions for the Commission to complete. Finally the ongoing costs of a robust and reputable enforcement process. If any of these outcomes occur, we want to have sufficient reserves to address them quickly but also to cushion any future fee increases to industry.

Rate of Inflation

- 4.1.4. As noted within our 2022 and 2023 Fee Consultation Papers¹, our internal financial modelling suggested that the Commission would be capable of

¹ Refer to [GFSC - 2022 Fee Consultation Paper - Issued.pdf](#), pages 9 to 10 and [GFSC – 2023 Consultation paper on Fee rates for 2023.pdf](#), page 6.

sustaining its operations over 2023 and 2024 with fee increases benchmarked to inflation.

4.1.5. Inflation has since then increased to rates higher than those seen in the last 30 years and remains at a stubbornly high level. This appears to be in response to several macroeconomic factors, including:

- the impact of quantitative easing on money supply, leading to an excessive amount of fiat currency chasing a finite supply of goods,
- the conflict in Ukraine,
- an ongoing tight jobs market due to a significant reduction in the available workforce following Covid-19.

Actual rates of inflation experienced in the UK and Crown Dependencies from 2021 to 2023 so far, are shown in Figure 1. In its most recent Quarterly Inflation Bulletin the States of Guernsey noted that the annual change in RPI from March 2022 to March 2023 was 8.3%, which has dropped only slightly from a peak of 8.5% in December 2022.

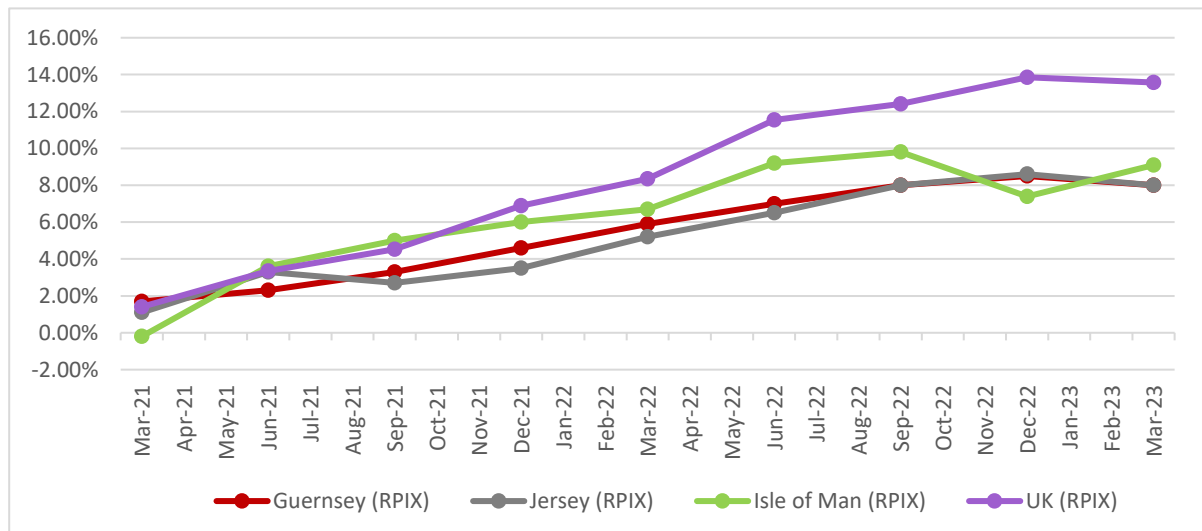


Figure 1: Percentage change in inflation indices from March 21 to March 2023. Sources:

- Guernsey: <https://gov.gg/rpi>
- Jersey: <https://www.gov.je/Government/JerseyInFigures/BusinessEconomy/pages/inflation.aspx>
- IoM: <https://www.gov.im/about-the-government/departments/cabinet-office/statistics-isle-of-man/inflation/>
- UK: <https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/chaw/mm23>

4.1.6. In its May 2023 monetary policy report, the Bank of England raised interest rates by 25 basis points to 4.5% to reflect the ongoing inflationary environment which saw a higher than expected CPI of 10.2% in Q1 2023, way above the targeted 2%. This was followed by an unexpected 50 basis point increase in June 2023, in reaction to overall UK inflation remaining at 8.7%, with core inflation actually rising.

4.1.7. The Bailiwick is exposed to some of the same factors driving inflation globally, as can be seen by the rate of increase in the 13 Household Cost Indices ('HCI') in Guernsey. These HCIs are designed to show how different inflation rates for

different types of households compare with each other taking into account rental and mortgage costs. The change in HCIs over the last year ranges from 6.9% to 8.6%, showing that these inflationary pressures, whilst not as high as in the UK are also affecting Guernsey.

Staff Resources

- 4.1.8. As highlighted in both our 2021 and 2022 annual reports², the Commission has experienced higher than optimal staff turnover rates over the past three years, 14% in 2022, 21% in 2021 and 16% in 2020. We identified several root causes behind this, including:
- staff being offered higher salaries by the financial services industry than we can afford;
 - higher costs of travel on and off island; and
 - high rental and house purchase costs in the Bailiwick putting upward pressure on the cost of living.
- 4.1.9. Retention and recruitment of the talented staff necessary to authorise, supervise, and investigate firms is vital to ensuring we continue to meet international standards. This was highlighted as part of the findings from the inspection of the Commission by the IAIS in 2018³ and will be pertinent to the upcoming MONEYVAL inspection in 2024.
- 4.1.10. We have taken steps to mitigate some of the above. In June 2022 we gave the majority of staff a bonus to reflect the additional work they completed due to the level of staff turnover. We also rebased the pay for our most junior staff to bring their pay level more into line with the finance sector, with whom we are competing for staff. We continue to support housing for our graduates, who are most exposed to the Guernsey rental market. However, despite all this on a forward looking basis we expect to see a further impact on housing costs due to continually increasing BoE base rates.
- 4.1.11. To attract and retain staff, in an unusually competitive financial services market, we believe it is necessary to increase salaries based on our performance evaluation framework, taking into account recent growth in financial services, a buoyant job market and global market trends, and to provide further accommodation support for junior staff. As such, the proposed fee increase is necessary given we are lightly staffed compared to our peers and we remain concerned about the impact caused by high staff turnover rates.

The Costs of Regulation

- 4.1.12. As highlighted in our 2023 fee consultation, the Commission has sought to contain the level of historic fee increases beyond those necessary. Fee increases on the part of the Commission have averaged 3.04% over the last eight years. This

² Refer to [Annual Reports — GFSC](#)

³ Refer to https://www.gfsc.gg/sites/default/files/uploads/Assessment_Report_MAP_Guernsey_2018-2019.pdf, page 29, summary of recommendations to Insurance Core Principle 2.

remains significantly lower than our peer jurisdictions, a number of whom continue to increase their fees significantly above inflation⁴.

- 4.1.13. Our comparatively lower level of fee increases has only been accomplished through cost discipline. We do, however, continue to see increasing costs associated with enforcement cases, those costs associated with the large volume of international standards against which the Commission, and the Bailiwick, are measured, and additional responsibilities (such as the addition of the director registration regime). As noted in previous annual reports and the 2023 fee consultation paper the volume of international standards has continued to increase. We need to reflect those increasing responsibilities and costs through a fee increase aligned with inflation.
- 4.1.14. The Commission did, however, experience an operating surplus in 2021 and 2022, in part due to a combination of unanticipated factors – including the high staff turnover rates experienced leading to a significant reduction in costs, a higher than expected number of authorisations and higher than expected fine revenue. Whilst the first of these is not a welcome position to be in and the latter can be very cyclical it did mean we were in a better than expected position at the end of 2022.
- 4.1.15. In light of current market conditions, we believe a fee increase, aligned to inflation is necessary to sustain the Commission’s operations, given the challenges outlined above, during 2023. However, the Commission does believe that based on its strong balance sheet position that it can in, a balanced and prudent way, reduce the overall fee increase to firms to 7.3%.
- 4.1.16. We are also aware that 2024 brings fresh challenges such as possible outcomes of our MoneyVal visit in April and any associated actions required, the potential for a recession in the UK following the tightening market environments and the lack of growth and the increasing costs of operating a robust and reputable enforcement process. The Commission wishes to ensure we are in a position to react to these potential challenges quickly and, if necessary, to ensure future fee increases are measured. To achieve these, we need to ensure we utilise our reserves in a balanced and prudent manner, hence a fee increase which is close to the current rate of inflation.
- 4.1.17. A number of firms and individuals are due to be licensed by or registered with the Commission for the first time ever in 2023 and therefore 2024 will be the first year of full oversight of these entities and individuals. As we will still be assessing the level of resources needed for these firms in 2024 our proposal is for all entities authorised under the Lending Credit and Finance Law and individuals registered under the Director Registration Regime not to be subject to a fee increase for 2024. This will be reassessed in future years.

Question 1: Do you have any comments on the overall proposed fee increase?

⁴ The JSFC has consulted on an increase for Investment Business Fees of 12.7% (March 2023) and an increase in Funds Business fees by 14.7% (May 2023).

4.2. Rebalancing of insurance fees

- 4.2.1. As mentioned in our 2023 fee consultation paper, the Commission, in association with the Guernsey International Insurance Association ('GIIA'), was considering how fees within the insurance sector could be restructured. The consideration for this restructuring, at the request of the industry body, was with an aim to make Guernsey's Special Purpose Insurance ('SPI') sector comparable with others.
- 4.2.2. This restructuring was done in line with the strict parameter, that any reduction in fee for one section of the Guernsey insurance industry, must be rebalanced elsewhere in the insurance sector, such that the Commission's ability to regulate the sector effectively is not hindered, and that the insurance sector is not being cross subsidised by the other financial services sector.
- 4.2.3. On this basis the following proposal is being consulted on. All Cat 6 SPI application and annual fees at a PCC/ICC cell level to be reduced to £100 with a resultant increase in the fees for any Category 5 insurance companies. Based on our invoice data for 2023 this would lead to an approximate increase of £110 (1.63% before any inflationary increase) for these firms.
- 4.2.4. Separately we have previously stated our intention to increase fees for insurers who provide insurance for retail customers, to reflect the increased supervisory resource required for these firms. In line with this in the first half of the year we consulted on a range of additional measures aimed to reduce the risk posed to the Bailiwick of Guernsey by this particular section of the insurance industry. As part of this consultation a specific definition of a retail customer was proposed and the feedback from this consultation is currently being considered.
- 4.2.5. Until this definition has been finalised, and all firms have reported whether they have retail customers or not, we do not have a full and final view of the total population of firms that would be required to pay increased fees. As such we do not feel it would be fair to increase fees on only certain firms. On this basis we aim to consult on any fees increases relating to these specific firms once the final feedback on the consultation has been given and the new definition concluded.

Question 2: Do you have any comments on the proposed restructuring of the insurance fees?

4.3. Operating an investment exchange in the Bailiwick of Guernsey

- 4.3.1. The Commission aims to set fees that are fair, proportionate, and broadly aligned with the costs of regulation, as far as is reasonably practicable in each case. In light of the levels of international regulation that affect investment exchanges and the amount of supervisory resource current being spent, both now and in the future, we are proposing a specific one-off increase in the regulatory fee for operating an investment exchange in the Bailiwick. The increase being proposed is £60k.
- 4.3.2. We note that at the current time we only have one established investment exchange operating in the Bailiwick. If any future applications were received from credible individuals to start up an investment exchange, consideration would be given at such a time as to an appropriate fee for a smaller, less established organisation. To be clear, this only applies to investment exchanges that are not

utilising virtual assets, which are separately captured under our Lending Credit and Finance Law.

Question 3: Do you have any comments on the proposed increase in the fee to operate an investment exchange in the Bailiwick?

4.4. VASPs within an AMC structure

- 4.4.1. Following the passage of the Lending, Credit and Finance Law at the start of 2023, we have been reviewing and considering the various licence applications and requests for discretionary exemptions that have been presented to us. One particular area that has been brought to our attention have been Actively Managed Certificate ('AMC') issuers which hold virtual assets.
- 4.4.2. These are Guernsey Special Purpose Vehicles ('SPVs') that are the legal owners of Virtual Assets. We are conscious that with the advent of the law there are a range of questions and queries that have arisen with regards to when an entity requires a VASP licence and, where relevant, we are considering further guidance or FAQs. Where a licence is required for this type of vehicle the Commission, is however, seeking to be proportionate, and does not believe that the current VASP charges are appropriate for this type of entity.
- 4.4.3. We are therefore proposing to significantly reduce the fees for an AMC issuer and its associated cells. The costs for an AMC issuer would be in line with the costs of an investment fund at £3,750 with a £500 charge for a cell. We would, however, look to limit the total amount of cells associated with any individual AMC issuer which holds VASPs to prevent an increase in regulatory risk.

Question 4: Do you have any comments on the proposed changes to fees for VASPs within an AMC structure?

5. Next Steps

- 5.1.1. This Consultation will be open for a period of eight weeks, with a closing date for responses of 20 September 2023.
- 5.1.2. Responses should be submitted through the Commission's Consultation Hub, which can be found at <https://consultationhub.gfsc.gg/>. Guidance on how to provide feedback can be found in section 1.3 of this paper.
- 5.1.3. Following the consultation period, the Commission will collate and consider responses provided. The Commission will consult with the States of Guernsey before issuing a feedback statement. That statement will provide a summary of the responses received, together with the final fees that will come into force from 1 January 2024.

Appendix A – Questions for Public Comment

Question 1: Do you have any comments on the overall proposed fee increase?

Question 2: Do you have any comments on the proposed restructuring of the insurance fees?

Question 3: Do you have any comments on the proposed increase in the fee to operate an investment exchange in the Bailiwick?

Question 4: Do you have any comments on the proposed changes to fees for VASPs within an AMC structure?

Appendix B – Proposed 2024 Fee Rates

B.1. Banking Sector

Application Fees	Current Fee for 2023	Proposed Fee for 2024
Bank Licence Application	£43,790	£46,985
Amalgamation and Migration	£2,635	£2,825
Change of Controller	£2,370	£2,545

Annual Fees	Current Fee for 2023	Proposed Fee for 2024
Total Assets Band:		
Below £500,000,000	£43,790	£46,985
£500,000,000 to £999,999,999	Total Assets x 0.000066435 Minimum of £43,790	Total Assets x 0.00007129 Minimum of £46,985
£1,000,000,000 or Greater	£66,435	£71,285
<i>Plus, Additional Fees for:</i>		
Guernsey subsidiary banks	25% of relevant annual fee	25% of relevant annual fee
Retail operations (both subsidiaries and branches)	50% of relevant annual fee	50% of relevant annual fee
Additional trading names, where a bank is effectively operating multiple separate businesses under one licence	50% of relevant annual fee	50% of relevant annual fee
Branches outside of the Bailiwick	£16,610	£17,825

B.2. Insurance Sector

Application Fees	Current Fee for 2023	Proposed Fee for 2024
International Insurer:		
Life Insurer / Reinsurer (Category 1 / 2)	£6,640	£7,125
Commercial Insurer / Reinsurer (Category 3 / 4)	£9,960	£10,685
Captive Insurer / Reinsurer (Category 5)	£6,640	£7,125
Category 6	£6,640	£7,125
PCC or ICC Core:		
Not Writing Business	£6,640	£7,125
Life Insurer / Reinsurer (Category 1 / 2)	£6,640	£7,125
Commercial Insurer / Reinsurer (Category 3 / 4)	£9,960	£10,685
Captive Insurer / Reinsurer (Category 5)	£6,640	£7,245
Category 6	£6,640	£7,125
Cell of a PCC or ICC:		
Life Insurer / Reinsurer (Category 1 / 2)	£2,170	£2,330
Commercial Insurer / Reinsurer (Category 3 / 4)	£3,255	£3,495
Captive Insurer / Reinsurer (Category 5)	£2,170	£2,330
Non-Special Purpose Insurer (Category 6)	£2,170	£2,330
Special Purpose Insurer (Category 6)	£1,000	£100
Reactivation of a Dormant Cell:		
Life Insurer / Reinsurer (Category 1 / 2)	£2,170 minus £175, pro-rated to end of the year	£2,340 minus £190, pro-rated to end of the year
Commercial Insurer / Reinsurer (Category 3 / 4)	£3,255 minus £175, pro-rated to end of the year	£3,510 minus £190, pro-rated to end of the year
Captive Insurer / Reinsurer (Category 5)	£2,170 minus £175, pro-rated to end of the year	£2,190 minus £190, pro-rated to end of the year
Category 6 Non-Special Purpose Insurer	£2,170 minus £175, pro-rated to end of the year	£2,190 minus £190, pro-rated to end of the year
Domestic Insurer	£3,740	£4,015
Mutual, Friendly, or Provident Society	£3,740	£4,015
Insurance Manager	£6,180	£6,630
Insurance Intermediary (Base Fee)	£6,225	£6,680
Additional Category of Intermediary Licence:		
General – Personal Lines	£220	£235
General – Commercial	£430	£460
Long Term – Life	£430	£460
Long Term – Regular Premium	£660	£710
Long Term – Single Premium (Insurance Element)	£2,135	£2,290

B.2. Insurance Sector (continued)

Application Fees (continued)	Current Fee for 2023	Proposed Fee for 2024
Amalgamation and Migration	£2,635	£2,825
Application for Consent to a Scheme of Transfer of Long Term Business	£6,230	£6,685
Change of Controller	£2,370	£2,545
Conversion / transfer / subsumption of regulated entities under Part V of Companies Law	£1,255	£1,345
Variation of Activities in respect of which Insurer is Licensed	£1,345	£1,445

B.2. Insurance Sector (continued)

Annual Fees	Current Fee for 2023	Proposed Fee for 2024
Active Life Insurer (PCC and Non-Cellular) (Category 1 / 2)		
Net Policyholder Liabilities Band:		
Below £1	£6,640	£7,125
£1 to £999,999	£8,620	£9,250
£1,000,000 to £9,999,999	£10,585	£11,360
£10,000,000 to £99,999,999	£16,465	£17,665
£100,000,000 to £499,999,999	£26,265	£28,180
£500,000,000 to £1,999,999,999	£50,860	£54,575
£2,000,000,000 or Greater	£99,715	£106,995
Life Insurer Closed to New Business (PCC and Non-Cellular) (Category 1 / 2)		
Net Policyholder Liabilities Band:		
Below £1	£6,640	£7,125
£1 to £9,999,999	£8,610	£9,240
£10,000,000 to £499,999,999	£11,850	£12,715
£500,000,000 or Greater	£16,465	£17,665
Non-Life International Insurer:		
Commercial Insurer / Reinsurer (Category 3 / 4)	£9,960	£10,685
Captive Insurer / Reinsurer (Category 5)	£6,640	£7,245
Category 6	£6,640	£7,125
Domestic Insurer		
Gross Written Premium Band:		
Below £12,000	£555	£595
£12,000 to £4,999,999	£3,740	£4,015
£5,000,000 or Greater	£19,075	£20,465
Mutual, Friendly, or Provident Society:		
Non-Commercial	£555	£595
Commercial	£3,740	£4,015
Member of Association for Travel Insurance	£1,710	£1,835
Cell of a PCC or ICC:		
Life Insurer / Reinsurer (Category 1 / 2)	£2,170	£2,330
Commercial Insurer / Reinsurer (Category 3 / 4)	£3,255	£3,495
Captive Insurer / Reinsurer (Category 5)	£2,170	£2,330
Non-Special Purpose Insurer (Category 6)	£2,170	£2,330
Special Purpose Insurer (Category 6)	£1,000	£100
Transformer Cell	£1,000	£1,075
Dormant Cell	£175	£190

B.2. Insurance Sector (continued)

Annual Fees	Current Fee for 2023	Proposed Fee for 2024
Insurance Manager (Based on Companies under Management)		
Pure	£5,865	£6,295
Commercial	£9,820	£10,535
Society of Lloyds	£3,400	£3,650
Insurance Intermediary (Base Fee)	£3,020	£3,240
<i>Plus, Additional Fees for Category of Intermediary:</i>		
General – Personal Lines	£220	£235
General – Commercial	£430	£460
Long Term – Life	£430	£460
Long Term – Regular Premium	£660	£710
Long Term – Single Premium (Insurance Element)	£2,135	£2,290
Long Term – Single Premium (PoI Element)	£1,320	£1,415
<i>Plus, Additional Fee for Intermediary Turnover from Licensed Bailiwick Activity:</i>		
Below £250,000	£2,135	£2,290
£250,000 to £499,999	£3,230	£3,465
£500,000 to £749,999	£4,270	£4,580
£750,000 to £999,999	£5,350	£5,740
£1,000,000 to £1,999,999	£6,420	£6,890
£2,000,000 to £2,999,999	£7,500	£8,050
£3,000,000 or Greater	£8,565	£9,190

B.3. Fiduciary Sector

Application Fees	Current Fee for 2023	Proposed Fee for 2024
Personal Fiduciary Licence	£1,210	£1,300
Primary Fiduciary Licence	£2,750	£2,950
Secondary Fiduciary Licence	£670	£720
Discretionary Exemption (Individual)	£570	£610
Discretionary Exemption (Company or Partnership)	£1,270	£1,365
Amalgamation and Migration	£2,635	£2,825
Change of Controller	£2,370	£2,545
Consent to Use a Name	£2,155	£2,310
Notification of Ancillary Vehicles	£670	£720

Annual Fees	Current Fee for 2023	Proposed Fee for 2024
Personal Fiduciary Licensee	£1,255	£1,345
Primary Fiduciary Licensee – Turnover Band:		
Below £250,000	£6,115	£6,560
£250,000 to £499,999	£12,220	£13,110
£500,000 to £999,999	£18,335	£19,675
£1,000,000 to £1,999,999	£24,440	£26,225
£2,000,000 to £3,999,999	£30,555	£32,785
£4,000,000 to £7,999,999	£36,660	£39,335
£8,000,000 to £15,999,999	£48,880	£52,450
£16,000,000 or Greater	£61,105	£65,565
Pension Regulation Fee:		
Fixed Fee	£555	£595
Fee per Scheme Member	£1 Subject to a £7,500 cap per scheme	£1 Subject to a £7,500 cap per scheme

B.4. Investment Sector

Application Fees	Current Fee for 2023	Proposed Fee for 2024
Open-Ended Collective Investment Schemes:		
Scheme	£3,780	£4,055
<i>Plus:</i> Additional Fast Track Application Fee	£500	£535
New Class of Existing Umbrella/Multi-Class Scheme	£855	£915
<i>Plus:</i> Additional Fee for Additional Elements to Fast Track Funds	£500	£535
Closed-Ended Collective Investment Schemes:		
Scheme	£3,780	£4,055
<i>Plus:</i> Fast Track Additional Application Fee	£500	£535
“De-QIFing”	£3,055	£3,280
“De-PIFing”	£3,055	£3,280
Registration of Non-Application Prospectus	£500	£535
Form EX Notification	£1,310	£1,405
Licensees	£2,750	£2,950
Amalgamation and Migration	£2,635	£2,825
Consent to Removal from Register	£2,450	£2,630
Change of Controller	£2,370	£2,545
Extension of Licence	£1,345	£1,445

Annual Fees	Current Fee for 2023	Proposed Fee for 2024
Open-Ended Collective Investment Schemes:		
Schemes	£3,780	£4,055
Additional Classes	£265	£285
Designated Territories Scheme (EX)	£660	£710
Closed-Ended Collective Investment Schemes	£3,780	£4,055
Designated Persons, Brokers, and Licensees with an Authorised Financial Advisor – Turnover Band:		
Below £1,500,000	£3,940	£4,230
£1,500,000 to £2,999,999	£6,210	£6,665
£3,000,000 to £5,999,999	£8,370	£8,980
£6,000,000 to 11,999,999	£10,800	£11,590
£12,000,000 or Greater	£13,500	£14,485
Manager of Overseas Collective Investment Scheme	£3,940	£4,230
Principal Managers of Open-Ended Schemes	£1,970	£2,115
Managers of Closed-Ended Schemes	£1,970	£2,115
Investment Exchanges	£77,290	£142,930
Insurance Intermediary with PoI Licence	£1,320	£1,415
Other Licensees	£3,940	£4,230

B.6. Lending, Credit and Finance Sector

Application Fees	Current Fee for 2023	Proposed Fee for 2024
Licence Application for:		
Credit Providers (Home Finance)	£6,000	£6,000
Credit Providers (Consumer Credit)	£4,500	£4,500
Services Ancillary to Credit (Home Finance and Consumer Credit)	£4,500	£4,500
Financial Firm Businesses	£4,500	£4,500
Platforms	£6,000	£6,000
Virtual Asset Service Providers (Exchanges and Stablecoin Issuers)	£95,000	£95,000
Virtual Asset Service Providers (Non-Exchanges)	£25,000	£25,000
Amalgamation and Migration	£2,635	£2,635
Change of Controller	£2,370	£2,370
Exemption for a Company or Partnership	£1,270	£1,270
Exemption for an Individual	£570	£570
Extension of a Licence	£1,345	£1,345
Annual Fees (From 1 July 2023)		
Current Fee for 2023		
Proposed Fee for 2024		
Credit Providers (Home Finance):		
Non-Bank with a Below £100,000,000 Lending Book	£6,000	£6,000
Non-Bank with a Greater than £100,000,000 Lending Book	£9,000	£9,000
Bank Credit Provider (Home Finance)	50% of Relevant Fee Above	£6,000
Credit Providers (Consumer Credit):		
Non-Bank with a Below £10,000,000 Lending Book	£4,500	£4,500
Non-Bank with a Greater than £10,000,000 Lending Book	£7,500	£7,500
Bank Credit Provider (Consumer Credit)	50% of Relevant Fee Above	£4,500
Services Ancillary to Credit:		
Home Finance	£4,500	£4,500
Consumer Credit	£3,000	£3,000
Financial Firm Businesses	£1,500	£1,500
Platforms	£6,000	£6,000
Virtual Asset Service Providers:		
Exchanges and Stablecoin Issuers	£95,000	£95,000
Non-Exchanges	£25,000	£25,000

B.7. Prescribed Businesses

Registration / Annual Fees	Current Fee for 2023	Proposed Fee for 2024
Number of Full-Time / Full-Time Equivalent Staff:		
1 to 5	£780	£835
6	£890	£955
7	£1,015	£1,090
8	£1,135	£1,220
9	£1,255	£1,345
10	£1,375	£1,475
11	£1,490	£1,600
12	£1,610	£1,730
13	£1,730	£1,855
14	£1,850	£1,985
15	£1,965	£2,110
16	£2,085	£2,235
17	£2,205	£2,365
18	£2,325	£2,495
19	£2,440	£2,620
20	£2,560	£2,745
21	£2,680	£2,875
22	£2,800	£3,005
23	£2,920	£3,135
24	£3,035	£3,255
25 or Greater	£3,150	£3,380

B.7. Director Registration Regime

Registration / Annual Fees	Current Fee for 2023	Proposed Fee for 2024
Director Registration Regime	£75	£75

B.7. Other Fees and Penalties

Other Fees Not Specific to a Sector

Application Fees	Current Fee for 2023	Proposed Fee for 2024
Consent Request to Incorporate a PCC or ICC not Connected to a Licence Application under a Supervisory Law	£500	£535

Administrative Financial Penalties⁵

Late Filing Penalty	Current Fee for 2023	Proposed Fee for 2024
First Month	£125	£125
Second Month	£250	£250
Third Month	£375	£375
Each Subsequent Month	£375	£375

Inaccurate Filing Penalty (From 1 January 2024)	Error Identified by Firm	Error Identified by the Commission
On identification of the error and return of the submission for correction by the firm	£135	£535
Each subsequent month taken to correct the error	£135	£535

⁵ These penalties are not applicable to Prescribed Businesses and Non-Regulated Financial Services Businesses.