



Financial Services (Banking Reform) Act 2013

2013 CHAPTER 33

PART 7

MISCELLANEOUS

Fees to meet Treasury expenditure

135 Fees to meet Treasury expenditure relating to international organisations

(1) After section 410 of FSMA 2000 insert—

“Fees to meet Treasury expenses

410A Fees to meet certain expenses of the Treasury

- (1) The Treasury may by regulations—
- (a) enable the Treasury from time to time by direction to require the FCA, the PRA or the Bank of England (each a “regulator”) to require the payment of fees by relevant persons, or such class of relevant person as may be specified in, or determined by the regulator in accordance with, the direction, for the purpose of meeting relevant expenses incurred by the Treasury;
 - (b) make provision about how the regulator to which a direction is given is to comply with the direction;
 - (c) require the regulator to pay to the Treasury, by such time or times as may be specified in the direction, the amount of any fees received by the regulator.
- (2) “Relevant expenses” are expenses (including any expenses of a capital nature) which are attributable to United Kingdom membership of, or Treasury

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participation in, a prescribed international organisation so far as those expenses—

- (a) represent a contribution (by way of subscription or otherwise) to the resources of the international organisation, and
 - (b) are in the opinion of the Treasury attributable to functions of the organisation which relate to financial stability or financial services.
- (3) The regulations must provide for the charging of fees in pursuance of a direction given under the regulations to the FCA or the PRA to be by rules made by that regulator.
- (4) The provisions of Chapter 2 of Part 9A apply to rules of the FCA or the PRA providing for the charging of fees in pursuance of a direction given under the regulations—
- (a) in the case of the FCA, as they apply to rules relating to the payment of fees under paragraph 23 of Schedule 1ZA;
 - (b) in the case of the PRA, as they apply to rules relating to the payment of fees under paragraph 31 of Schedule 1ZB.
- (5) Paragraph 36(1) of Schedule 17A applies to the charging of fees by the Bank of England in pursuance of a direction given to the Bank under the regulations.
- (6) The regulations may in particular—
- (a) make provision about what is, or is not, to be regarded as an expense;
 - (b) specify requirements that the Treasury must comply with before giving a direction;
 - (c) enable a direction to be varied or revoked by a subsequent direction;
 - (d) confer functions on a regulator.
- (7) An amount payable to a regulator as a result of—
- (a) any provision of rules made by the FCA or the PRA as a result of the regulations, or
 - (b) the imposition of fees by the Bank of England as a result of a direction given under the regulations to the Bank,
- may be recovered as a debt due to the regulator.
- (8) “Relevant persons” means—
- (a) in the case of a direction given to the PRA, PRA-authorized persons;
 - (b) in the case of a direction given to the FCA, authorised persons and recognised investment exchanges who (in either case) are not PRA-authorized persons;
 - (c) in the case of a direction given to the Bank of England, recognised clearing houses, other than those falling within paragraph (a) or (b).
- (9) This section is subject to section 410B.

410B Directions in pursuance of section 410A

- (1) In this section “a fees direction” means a direction given by the Treasury as a result of regulations under section 410A.
- (2) Before giving a fees direction to the FCA, the PRA or the Bank of England (each a “regulator”), the Treasury must consult the regulator concerned.

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- (3) A fees direction must—
- (a) be in writing;
 - (b) except in the case of a direction that revokes a previous direction or a direction that varies a previous direction without affecting the total amount intended to be raised by the fees, specify the total amount intended to be raised by the fees to be charged by the regulator and explain how that amount is calculated;
 - (c) contain such other information as may be prescribed.
- (4) As soon as practicable after giving a fees direction, the Treasury must lay before Parliament a copy of the direction.”
- (2) In section 3A of FSMA 2000 (meaning of “regulator”), in subsection (3)—
- (a) omit the “or” at the end of paragraph (a), and
 - (b) after paragraph (b) insert “or
 - (c) the meaning of “regulator” in sections 410A and 410B (fees to meet certain expenses of Treasury).”

Commencement Information

II S. 135 in force at 1.3.2014 by S.I. 2014/377, art. 2(1)(a), Sch. Pt. 1

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