

30 March 2026

**Final report by the Complaints Commissioner****Complaint number 202500625***The complaint*

1. On 06 January 2026, you submitted a complaint to my office about the FCA, which centred on your firm being charged a fee for late submission of a regulatory return (“**Late Fee**”). I set out the elements of your complaint below:

**Element One:** You are unhappy that your firm was issued with a £250 Late Fee for filing an FDA after the deadline.

**Outcome: Not Upheld.** The FCA’s rules set out how firms which submit regulatory forms late will be issued with a Late Fee. On the basis of the circumstances you describe, I consider that the FCA was justified in issuing the Late Fee, as it has to apply this policy transparently and equally towards all firms.

**Element Two:** The £250 Late Fee is disproportionate and difficult to justify.

**Outcome: Not Investigated.** Setting the level of fees constitutes rule making, and as this forms part of the FCA’s legislative function, it will not be investigated under the Complaints Scheme.

**Element Three:** You are unhappy with the increasing annual fee (“**Annual Fee**”), which appears disproportionate to the size and risk profile of your firm. The FCA should provide more transparency and justification for the Annual Fee increases.

**Outcome: Not Investigated.** Setting the level of fees constitutes rule making, and as this forms part of the FCA’s legislative function, it will not be investigated under the Complaints Scheme.

## *Background*

2. In July, August and September 2025 you received three reminders that your firm was required to submit a Firm Details Attestation (“**FDA**”) by the 23 September 2025 deadline.
3. On 25 September 2025 your firm received a £250 Late Fee for late submission of the FDA. On the same day you submitted the FDA.
4. On 13 November 2025 you made a complaint to the FCA, that you submitted the FDA only one day late, this had not happened before, and it was therefore unfair to have to pay a Late Fee of £250. You wanted the FCA to cancel the Late Fee.
5. On 23 December 2025 the FCA issued its Decision Letter and did not uphold your complaint. The FCA noted that it sent firms reminders to submit regulatory forms as a courtesy, and indeed it had sent you three reminders. It noted that the FCA Handbook SUP 16.10.4R(1) requires firms to submit FDAs, and that there were no exceptional circumstances in this case for the FCA to consider cancelling the Late Fee.
6. On 6 January 2026 you complained to my office.

## *Analysis*

*Element One: You are unhappy that your firm was issued with a £250 Late Fee for filing an FDA after the deadline.*

7. You feel that your firm should not have to pay the Late Fee, because the FDA was only submitted one day late and this was the first time your firm had missed a deadline.
8. However, the FCA has rules regarding Late Fees, and SUP 16.3.14 states: *“If a firm does not submit a complete report by the date on which it is due in accordance with the rules in, or referred to in, this chapter or the provisions of relevant legislation and any prescribed submission procedures, the firm must pay an administrative fee of £250.”*
9. The FCA must apply this policy transparently and equally to all firms, without making exceptions. On the basis of the circumstances you have set out, I

consider that the FCA has correctly followed its own policy in issuing the Late Fee.

10. For the above reasons I do not uphold Element One of your complaint.
11. You have commented on the Preliminary Report and assert that the FCA makes it difficult to submit forms on its website and keeps changing it. You want the FCA to waive the Late Fee.
12. This is not something you have raised with the FCA previously, but I do not consider it would be sufficient reason for the FCA to consider waiving the Late Fee. I note that the evidence does not suggest that you raised any difficulties with submitting the form with the FCA at the time, and you have provided no evidence to show that you did encounter difficulties.

*Element Two: The £250 Late Fee is disproportionate and difficult to justify.*

13. Under the Complaints Scheme, to which both the regulators and I are bound, paragraph 2.9c sets out that I cannot review complaints about the exercise of the FCA's legislative functions, such as rule making and issuing general guidance. This includes setting the level of the Late Fee and under what circumstances it should be applied.
14. For the above reason I will not investigate Element Two of your complaint.
15. Equally, although it is not within my remit to comment on the level of fees, as this relates to the FCA's legislative function, it seems to me that £250 is rather high, given the administrative effort involved on the part of the FCA. Other complainants have also made this point.
16. I have previously suggested that the FCA consider the continued appropriateness of this level of Late Fee going forwards. I note that it has recently concluded a consultation on reducing the level of the Late Fee for regulatory returns from £250 to £100.<sup>1</sup>

*Element Three: You are unhappy with the increasing Annual Fee, which appears disproportionate to the size and risk profile of your firm. The FCA should provide more transparency and justification for the Annual Fee increases.*

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<sup>1</sup> <https://www.fca.org.uk/publications/consultation-papers/cp25-33-regulatory-fees-and-levies-policy-proposals-2026-27>

17. As for Element Two, under the Complaints Scheme, to which both the regulators and I are bound, paragraph 2.9c sets out that I cannot review complaints about the exercise of the FCA's legislative functions – such as rule making and issuing general guidance. This includes setting the level of the Annual Fee.
18. For the above reason I will not investigate Element Three of your complaint.
19. I note that the FCA consults annually on developing its fees policy approach, which includes fee increases. In its consultation paper CP25/7<sup>2</sup> on rates proposals for 2025/26, the FCA showed that it intended to raise the Annual Fee by 3.8%. This is because the Annual Fee enables it to recover its annual funding requirement, and the FCA estimated that its annual funding requirement for 2025/26 will be 3.8% higher than the actual funding requirement for 2024/25.
20. You have commented on the Preliminary Report to state that the Annual Fees paid by your firm have increased more than 3.8% each year. You add that your firm cannot offer finance without being authorised, the FCA does not do enough to justify the Annual Fee and is profiting too much. You ask why the Annual Fee increases every year.
21. I cannot comment on the precise Annual Fee increases applied to your firm, and I suggest you ask the FCA to explain. Authorisation is a pre-condition of offering finance, and authorisation necessarily incurs the Annual Fee. I consider that the consultation paper CP25/7 provides sufficient detail on what the FCA does to justify the Annual Fee and its increases, and although the FCA may generate an annual surplus, it is not a profit-making organisation. Should you have additional questions I suggest you ask the FCA to provide you with information.

*The Complaints Commissioner*

Complaints Commissioner

30 March 2026

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<sup>2</sup> <https://www.fca.org.uk/publication/consultation/cp25-7.pdf>