Office of the Complaints Commissioner
Alliance House
12 Caxton Street
London
SW1H 0QS

Tel: 020 4599 8333
E-mail: info@frccommissioner.org.uk
www.frccommissioner.org.uk

19 June 2026

Final report by the Complaints Commissioner

Complaint number 202500673

The complaint

1. On 23 February 2026, you submitted a complaint to my office about the FCA.

2. **Allegation:** Your complaint is that the FCA's invoices and communications did not clearly explain that the Economic Crime Levy was being charged in respect of a previous period. You paid the 2023/24 and 2024/25 invoices in good faith and understood these covered your liability during your period of authorisation.

3. It was only upon receipt of the 2025/26 invoice that it became apparent the levy related to an earlier period. The original 2023/24 invoice did not make this clear. Had the position been properly explained from the outset, you would have reviewed your position sooner and could have amended your return or cancelled your authorisation earlier to avoid incurring further liability within the permitted amendment period.

4. You therefore consider the additional invoice unfair and request that it be fully credited.

5. **Outcome: Not upheld**.

6. The invoice issued on 29 July 2024 stated on page 2 that the FCA collects the ECL on behalf of HM Treasury. Page 3 also explained that the gross ECL fee related to the financial year from 1 April 2023 to 31 March 2024. You received and paid this invoice before applying to cancel your permissions and did not raise any dispute regarding the period to which the levy related.

7. The same wording also appeared on the invoice issued on 13 October 2025, which you are now disputing. In the circumstances, I am satisfied that sufficient

information was provided regarding the relevant levy periods and I do not uphold your complaint.

Background

8. Your firm, Firm X, applied to cancel its FCA permissions on 3 March 2025. This took effect from 30 April 2025.

9. On 13 October 2025, Firm X was issued an invoice for the ECL titled: “Regulatory fees and levies: 1 April 2025 and 31 March 2026.” Page 3 of the invoice said that the ECL fee related to the previous financial year.

10. You contacted the FCA to dispute the fee as you had already cancelled your permissions.

11. On 21 October 2025, the FCA responded and incorrectly said this was due to Firm X still being FCA authorised on 31 March 2025. A credit note was raised to dispute the fee.

12. On 13 January 2025, the FCA confirmed that the ECL was still due as it related to activity from the financial year 2024/25 when Firm X was still authorised. As a result, the credit note was rescinded.

13. On 28 January 2026 you complained to the FCA about being charged the ECL despite no longer operating.

14. On 5 February 2026, the Revenue team called you to explain how the ECL was charged and the basis for it.

15. On 18 February 2026 the FCA issued its Decision Letter not upholding your complaint.

16. On 23 February 2026, you complained to my office about the FCA.

Analysis

17. In your discussions with the FCA, I note that you feel that the invoice is unfair and an unexpected expense which is difficult to pay for a small business.

18. In your initial conversations with the FCA, you were incorrectly told that the ECL was charged as you were still authorised on 31 March 2025. A credit note was also raised but this was later rescinded. In its Decision letter, the FCA

apologised for any resulting confusion from these interactions where incorrect information was provided to you.

19. As a member of the Revenue team explained to you in the call on 5 February 2026, the ECL is collected by the FCA on behalf HM Treasury and enforced by the HMRC Commissioners. Unlike most fees collected by the FCA, the ECL is paid a year in arrears, so firms are invoiced for the previous financial year.

20. The FCA is correct that it is only the collector of the ECL. The amount paid and how much is paid is set out in legislation.

21. I have also reviewed the invoices you have referred to. You are correct that the first invoice issued for the ECL on 8 August 2023 did not specifically outline that the ECL related to the previous financial year. As the Revenue team explained in the call on 5 February 2026, the wording on the invoices was updated to reflect that the ECL was being charged for the previous financial year as this was the cause of confusion amongst firms. As a result, the second invoice issued on 29 July 2025 clearly outlined on Page 2 that the FCA collected the ECL on behalf of HM Treasury. On Page 3, it explained that the gross fee for the ECL related to the financial year between 1 April 2023 and 31 March 2024. This was before you applied to cancel your permissions and you paid the ECL at this time without disputing the period it related to. This wording is also present on the most recent invoice issued on 13 October 2025, the invoice you are disputing.

22. Based on this, I think the wording in the last two Invoices did make clear that the ECL is levied for the previous financial year and therefore the amount remains payable.

23. I appreciate that you have said this was not a cost you expected and this is burdensome for a small business. As the FCA explained, it does not set who has to pay the ECL or how much to pay. The FCA only retains some funds to cover its own collection costs, but the majority of the revenue raised is allocated by the central government.

24. I note that the FCA did agree to put in place a payment plan around February 2026. This was to repay the amount over 8 months without additional charges or interest. I understand that you have not made any payments and the whole

amount remains outstanding. You may wish to discuss your payment options with the FCA, and you may now be subject to additional fees and charges.

25. For the reasons outlined, I do not uphold your complaint.

The Complaints Commissioner

Complaints Commissioner

19 June 2026