

Financial Services Compensation Scheme Levy Calculation Notes 2026/27 Final Rates

HOW IS THE FSCS LEVY CALCULATED?

A. Overview

The FSCS levy is made up of two elements:

- Management expenses; and
- Compensation costs.

Management expenses levy – covers the costs of running the compensation scheme. The management expenses levy is made up of **base costs** (operating costs not directly related to the payment of compensation) and **specific costs** (operating costs that are directly related to the payment of compensation arising from valid claims).

The management expenses levy limit for 2026/27 was consulted on in the joint FCA/PRA consultation paper [CP1/26](#) (13 January 2026).

Compensation costs levy – provides the funds to make valid compensation payments.

All participant firms are required to contribute to **base costs**. **Specific costs** and **compensation costs** are not payable by FSCS exempt firms or newly authorised firms in their first authorised year.

Firms who are dual regulated will pay FSCS Base Costs towards both their FCA and PRA fee-blocks.

For further details of the FSCS levy for 2026/27, please refer to the [FSCS website](#).

B. Exemptions

Firms that have submitted valid exemptions (under [FEES 6.2.1R](#)), are excluded from specific and compensation costs, but are still liable for their share of base cost levies.

C. FSCS Levy - calculation

To calculate the FSCS Base Costs levy we need to know the Total Base Costs the FSCS require to raise in 2026/27 and the total Regulatory Costs of the FSCS participants for each contribution group within both FCA and PRA. The table below lists the information used for the 2026/27 rates.

Contribution Group	Total Regulatory Cost	FSCS Base Costs to be Levied
AP00	26,305,512	352,656
A000	32,859,348	452,840
A001	102,667,102	1,364,727
A002	24,317,873	316,768
A003	35,130,159	438,800
A004	59,559,709	761,744
A006	443,963	6,186
A007	61,159,853	809,849
A009	16,454,934	200,652
A010	69,983,483	980,800
A013	110,081,523	1,388,453
A014	19,385,331	242,601
A018	23,792,341	357,681
A019	39,181,680	531,797
A021	20,182,280	279,882
A022	7,398,548	96,768
A023	1,867,096	15,110
A024	315,749	9,547
CC01	16,016,239	167,649
CC02	55,635,106	813,066
PA00	546,600	23,467
PA01	206,434,151	5,950,392
PA03	47,128,304	1,317,107
PA04	57,292,720	1,652,851
PA06	70,653	70,653
PA10	13,444,595	391,521
B002	0	1,000
B012	5,236	5,236
Total		18,999,803

To calculate the specific costs levy and compensation costs levy we also need to know the total FSCS tariff data for each class and the amounts FSCS are to raise for each class. The table below details these figures for 2026/27.

Class – Tariff Base	Tariff Base	FSCS Specific Costs	FSCS Class Compensation Costs
SA01	1,899,837,133,069	23,595,572	-3,595,572
CLDA	1,899,837,133,069	0	0
SB01 - RNPI	55,481,943,186	4,768,440	61,231,560
SB01 - EL	82,374,071,700	1,589,480	20,410,520
CLGID-1	14,329,162,755	203,556	-203,556
CLGID-2 - RNPI	58,440,342,373	473,267	-473,267
CLGID-2 - EL	86,087,102,163	157,756	-157,756
CLII-1	12,640,387,723	25,863,622	49,045,469

CLII-2 - RNPI	120,725,546,776	2,828,834	5,364,348
CLII-2 - EL	1,271,084,886,396	942,945	1,788,116
CLII-3	12,329,506,817	5,388,255	10,217,806
CLII-4	1,313,974,136	538,825	1,021,781
CLIP	12,329,506,817	8,670,202	4,329,798
CLHFI-1	2,214,180,240	1,111,518	1,797,573
CLHFI-2	6,388,169	416,819	674,090
CLDM	284,323,656,850	0	0
Total		76,549,091	151,450,909

Class SA01 - Deposit Takers Risk Based Levy – FSCS compensation costs levies are adjusted for the degree of risk incurred by deposit takers.

A firm's risk adjustment is calculated using several quantitative indicators such as capital; leverage; liquidity; and asset quality.

A firm's aggregate risk weighting will be included on its FCA Regulatory Fees and Levies invoice.

The FSCS Classes for 2026/27 are as follows:

SA01	Deposit acceptors
SB01	General insurance provision
SC01	Life & pensions provision
CLGID-1	General insurance distribution
CLGID-2	General insurance provision
CLII-1	Life distribution and investment intermediation
CLII-2	Life insurance provision
CLII-3	Investment provision
CLII-4	Structured deposits provision
CLIP	Investment provision claims
CLHFI-1	Home finance intermediation
CLHFI-2	Home finance provision
CLDM	Debt Management
CLFPC	Funeral Plans

Example calculation

Firm X is solo regulated by the FCA and is allocated to the A013 contribution group and in FSCS class CLII-1 (Life distribution and investment intermediation).

At the valuation date of 31 December 2025, it had annual income of £580,000 in respect of FCA fee-block A013 and £340,000 of eligible annual income in respect of FSCS class CLII-1.

Based on the annual income of £580,000 the A013 FCA regulatory cost (the FCA charge after discounts but before deductions) for 2026/27 would be £1,294.56.

The FCA regulatory cost for the minimum fee (fee-block A000) for 2026/27 is £2,200.00, and the FCA prudential costs (fee-block AP00) for 2026/27 would be £130.67.

Base Costs Levy: Base costs are calculated by reference to the share of a firm's regulatory cost as a proportion of the total regulatory costs (in each contribution group). The calculation is shown below.

A000 Contribution Group			
Base Costs Levy	$\frac{\text{Firm's A000 FSCS Reg.Cost} \times \text{A000 Base Costs}}{\text{Total A000 FSA Regulatory Costs}}$	$\frac{2,200 \times 452,840}{32,859,348}$	£30.32
Total A000 FSCS Base Costs Levy			£30.32

A013 Contribution Group			
Base Costs Levy	$\frac{\text{Firm's A013 FSCS Reg.Cost} \times \text{A013 Base Costs}}{\text{Total A013 FSA Regulatory Costs}}$	$\frac{1,294.56 \times 1,388,453}{110,081,523}$	£16.33
Total A013 FSCS Base Costs Levy			£16.33

AP00 Contribution Group			
Base Costs Levy	$\frac{\text{Firm's AP00 FSCS Reg.Cost} \times \text{AP00 Base Costs}}{\text{Total A013 FSA Regulatory Costs}}$	$\frac{130.67 \times 352,626}{26,305,512}$	£1.75
Total AP00 FSCS Base Costs Levy			£1.75

Compensation and Specific Costs Levy: The Specific and Compensation costs are calculated by reference to the share of the firm's tariff data as a proportion of the total FSCS tariff data (in each FSCS class). These calculations are shown below.

CLII-1 Class: Life Distributions & Investment Intermediation			
Specific Costs Levy	$\frac{\text{Firm's CLII-1 tariff data} \times \text{Total FSCS CLII-1 Specific Cost}}{\text{Total CLII-1 fee tariff base}}$	$\frac{340,000 \times 25,863,622}{12,640,387,723}$	£695.68
Compensation Costs Levy	$\frac{\text{Firm's CLII-1 tariff data} \times \text{Total FSCS CLII-1 Compensation Cost}}{\text{Total CLII-1 fee tariff base}}$	$\frac{340,000 \times 49,045,469}{12,640,381,723}$	£1,319.22
Total CLII-1 FSCS Levy			£2,014.90

Therefore, the FSCS Levy total for Firm X for 2026/27 will be:

FSCS Levy Type	Value
A000 Levy (Base Costs)	£30.32
A013 Levy (Base Costs)	£16.33
AP00 Levy (Base Costs)	£1.75
CLII-1 Levy (Life Distributions & Investment Intermediation)	£2,014.90
Net FSCS Levy Total	£2,063.30