

# Financial Ombudsman Service

## Reporting data for FOS levies and exemption from levies

You may find the following information helpful before you report data for the Financial Ombudsman Service general levy or notifying us that you qualify for an exemption.

### **What is the Financial Ombudsman Service (FOS)?**

The Financial Ombudsman Service resolves disputes in the financial services sector. It is funded in part by fees levied on firms who conduct business that is subject to its dispute resolution scheme. Firms pay these fees in proportion to the amount of business they undertake which is subject to its jurisdiction.

For full details, please refer to our Handbook, in Dispute Resolution: Complaints [DISP](#) and [Fees](#).

To enable the FOS to calculate its general levy, firms must provide a statement (or a best estimate) of their 'relevant business' for each fee year. Each year we ask firms to provide this information to us by the end of February in line with the data for FCA and FSCS.

### **How do I know if I qualify for an exemption?**

A firm which does not conduct business with *eligible complainants* and has no reasonable likelihood of doing so is exempt from paying the FOS general levy [DISP 1.2 - DISP 1.10](#).

A firm must notify us that these conditions are met before the exemption is effective. The exemption will start from the date we receive the notice. Notice of exemption must be received by 31 March to take effect for the following and future levy year. Firms who have already submitted an exemption need not do so again.

### **Who is an eligible complainant?**

There is a full description on *eligible complainants* in [DISP 2.7](#) 'Who can refer a complaint to the Financial Ombudsman Service?'

### **How do I know if you already hold an exemption notice?**

An exemption notice under [DISP 1.1.12 R](#) rolls over each year and does not need to be renewed annually. Your annual fee tariff data form will show your current exemption status. You will need to contact your supervisor if you have any queries about this.

## What happens if I no longer qualify for an exemption?

A firm that has notified us they are exempt under [DISP 1.1.12 R](#) they must tell us if the conditions in [DISP 1.1.12 R](#) no longer apply. The firm will then be subject to paying FOS levies.

## What information do I need to supply if I'm not exempt?

Under [FEES 5.4.1R](#) a firm that conducts business with eligible complainants is subject to the following information requirement:

A firm must provide the FCA by the end of February each year (or, if the firm has become subject to the Financial Ombudsman Service part way through the financial year, by the date requested by the FCA) with a statement of:

- (a) the total amount of relevant business (measured in accordance with the appropriate tariff base(s)) which it conducted; or
- (b) in the case of firms in industry blocks 2 and 4, the gross written premium for fees purposes as defined in FEES 4 Annex 1AR (unless FEES 5.4.1R(1A) applies), as at or in the year to 31 December of the previous year as appropriate, in relation to the tariff base for each of the relevant industry blocks set out in FEES 5 Annex 1.

## What is relevant business?

Relevant business is defined as the amount of business done with consumers, where the business is within the FOS's jurisdiction. The tariff-base used to measure relevant business depends on the FOS industry block(s) that you belong to. Full details of the tariff-bases that apply to each industry block are in [FEES 5 Annex 1R](#).

We will use the relevant business you reported to calculate your FOS fee for the next invoice period.

## How do I complete the FOS Statement of Relevant Business?

The FOS statement of relevant business can be found on the annual fee tariff return forms. Most FOS industry blocks map to the FCA fee-blocks but are numbered differently.

Please complete the fee tariff forms online if you are registered for online invoicing or send your paper copy by email to [Feetariffreturns@fca.org.uk](mailto:Feetariffreturns@fca.org.uk) by **the end of February**.

The fee-blocks and industry blocks your firm falls into is shown on the fee tariff data pages of your online invoicing or the paper tariff data request sent to you in January. Please note that a flat rate minimum fee is proposed for some of the FOS industry blocks – we do not need you to supply tariff information for these blocks.

## Further enquiries

If after reading these notes you have any questions about exemption or completing the form, please email the Revenue team [Feetariffreturns@fca.org.uk](mailto:Feetariffreturns@fca.org.uk). Alternatively, contact our fees helpline on 0300 500 0597.