

Levy breakdown – FCA classes

Debt Management

2021/22 update

2021/22 forecast fund balances	May's Outlook forecast (£m)	Latest levy update (£m)	Variance (£m)
Opening balance	(0.2)	(0.0)	0.2
Compensation	(0.1)	(0.0)	0.1
Recoveries	0.0	0.0	0.0
Management Expenses	0.0	0.0	0.0
Annual levy receipts	0.5	0.5	0.0
Total closing surplus/(deficit)	0.3	0.5	0.2

Total levies Please note, the 'Total levies' is not the sum of each column. This row shows the May forecast in comparison to the latest levy update.	4.4	0.5	(3.9)
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For 2021/22, the Debt Management class was levied £0.5m, which was the cost of compensation relating to its own class. This class was not required to contribute to the [retail pool](#) as originally forecast. This explains the variance (3.9m) in the 'total levies' figure and from May's Outlook.

We are not expecting any failures for the remainder of 2021/22.

2022/23 forecast

Class	2021/22 latest levy update (£m)	2022/23 forecast (£m)	Variance (£m)
Debt Management	0.5	3.8	3.3

We are not expecting any failures for the Debt Management class during the 2022/23 financial year.

The levy in this class is primarily being driven by the class's contribution to the retail pool, which is forecast to be approximately £4m. This is because the Life Distribution and Investment Intermediation (LDII) class is forecast to breach its annual levy limit and trigger the retail pool during 2022/23.