

21 October 2019

Final report by the Complaints Commissioner**Complaint number FCA00640***The complaint*

1. On 20 August 2019 you asked me to investigate a complaint about the FCA. I have carefully reviewed the papers sent to me by you and the FCA.

What the complaint is about

2. Between November 2018 and July 2019 you approached the FCA about its regulation of a firm (Firm C) in relation to your student loan. You spoke to staff in its Supervision Hub and were then referred to the Complaints Team on the basis that you had been given incorrect and conflicting information about the FCA's remit regarding Firm C.

What the regulator decided

3. The FCA upheld your complaint. Its complaint response dated 16 August 2019 offered you an apology "*because you have been given incorrect information about the regulation of student loans*". The response set out further information about the FCA's regulation of student loans and made recommendations to ensure that staff in the Supervision Hub received feedback and had easier access to the correct information.

Why you are unhappy with the regulator's decision

4. You have told me that you would "*like to complain about this nonsense reply, the fact they won't compensate me, the fact they do nothing and the fact that they are extremely rude*".

My analysis

5. The background to your complaint is the highly complex system of regulation and complaints handling in financial services, coupled with the complex arrangements for the administration of student loans – which have changed over

FCA00640

the years, and can involve the selling of student debt between companies, and the outsourcing of debt collection.

6. Before your complaint reached the FCA's complaints team, you had had three emails from the FCA (containing contradictory and not entirely clear information), and two phone calls which had not resolved the issue.
7. I have considered the records supplied to me by the FCA, including recordings of two phone calls you made to the Supervision Hub. I consider that the staff attempting to address your complaint were polite, but they did not have a sufficient understanding of this complex area to provide you with the clear information which you needed.
8. In your first call with the Complaints Team on 16 July 2019, you were told that making a complaint about Firm C to the Financial Ombudsman Service was the correct way to deal with your individual complaint. The casehandler explained to you the different roles of the FCA and the Financial Ombudsman Service and that information you supplied to the FCA would be considered by the appropriate supervision team but feedback would not be provided to you. The complaint response dated 16 August 2019 acknowledged that you had been given incorrect and confusing information about the FCA's remit over student loans and also explained to you that you could complain directly to another firm involved with your loan.
9. Additionally, the complaint response explained to you the steps which the FCA were taking to improve the information available to FCA staff, so that they could deal with queries like yours more effectively in future.
10. I am satisfied that the FCA's complaint response was reasonable for the following reasons:
 - a. I understand that you wish the FCA to 'do something about' Firm C and your student loan and provide you with compensation. However, this Complaint Scheme is not designed to resolve individual complaints about firms. It is concerned with the actions or inactions of the FCA. It cannot deal with complaints against firms, nor is it a redress service for individual consumer complaints. The Financial Services and Markets Act 2000 (FSMA) explicitly

provides for a consumer redress service separated from the FCA, which is the Financial Ombudsman Service.

- b. The FCA welcomes information from people who report concerns. However, as you were told, the FCA does not generally say what action has been taken in response to the information it receives. This is because section 348 of FSMA classes some information the FCA holds about firms as confidential, and restricts how that information is dealt with. In addition to this, any information that is not restricted by s.348 FSMA may be restricted due to the FCA's policy on sharing information about regulated firms and individuals, who also have legal protections. Under this policy, the FCA will not normally disclose the fact of continuing action without the agreement of the firm concerned. This means that, as you were told, there is no general right for members of the public to know the outcome of reports they make.

My decision

11. I agree with the FCA's decision to uphold your complaint. The responses you received to your queries were poor, and caused you considerable frustration. I **recommend** that the FCA offer you £25 as an 'ex gratia' payment for the distress and inconvenience that this has caused. In response to my preliminary report, the FCA has agreed to accept this recommendation.
12. I do not, however, agree that the FCA's staff were rude. Having carefully reviewed the records, I am satisfied that they were attempting to deal with your queries professionally.
13. I appreciate that you are very disappointed by this decision, not least because your situation with Firm C is not resolved. However, as I have explained, that is not something that I can address under this Scheme.

Antony Townsend
Complaints Commissioner
21 October 2019