

13 September 2023

Final report by the Complaints Commissioner**Complaint number 202300354***The complaint*

1. On 25 July 2023, you asked me to review a complaint about the FCA.

What the complaint is about

2. The FCA summarised your complaint as follows:

My understanding of your complaint is that you are unhappy that a bank has closed Mr X's account and other banks are refusing to open an account for him. You allege that the actions by banks are politically motivated, and you consider that the FCA is failing in our duty to ensure fair and reasonable practices.

You would like to know whether any politicians of any mainstream parties (Conservatives, Labour, Liberal Democrats, Greens, the Socialist Democratic Party etc) to date have ever had this happen to them.

What the regulator decided

3. The FCA did not investigate your complaint, it said:

After carefully considering the information you have provided, we have concluded that this is not a complaint we could investigate under the Complaints Scheme.

Paragraph 3.2 of the Complaints Scheme explains that a complaint "can be made by anyone who is directly affected by the way in which the regulators have carried out their functions, or anyone acting directly on such a person's behalf provided that the complaint meets the requirements of the Scheme. To be eligible to make a complaint under

the Scheme, a person must be seeking a remedy (which for this purpose may include an apology) in respect of some inconvenience, distress or loss which the person has suffered as a result of being directly affected by the regulators' action or inaction".

Having reviewed the information you have provided in your email, we do not consider that you have been directly affected by the FCA's actions or inactions in relation to the alleged closure and refusal to open bank accounts for Mr X. Further, your complaint relates to the actions of one or more banks in relation to a third party and not the actions of the FCA.

The FCA regulates financial services firms and financial markets in the UK. Firms and individuals must be authorised by us to carry out certain activities. Before we grant authorisation, firms must demonstrate that they meet a range of requirements. We then supervise these firms to make sure they continue to meet our standards and rules after they're authorised. We note that you say banks have discriminated against individuals and organisations on political grounds. We have passed your information to our Supervision colleagues for their consideration.

As a regulator, we appreciate when information is shared with us about the firms we regulate, but we will not be able to provide any further information due to our legal obligations and policy on sharing information.

We appreciate that news reports suggest the alleged account closure may be because Mr X is a politically exposed person (PEP). For the avoidance of doubt, we are unable to comment on this allegation. The FCA does have guidance in respect of dealing with Politically Exposed Persons (PEPs) for anti-money laundering purposes, a link to which can be found [here](#).

We would also like to clarify that the FCA's role is not to settle disputes between consumers and the firms we regulate. The investigation of individual complaints about regulated firms is not one of the FCA's relevant functions, and cannot be investigated by the Complaints Team

as set out in paragraph 1.1 of the Complaints Scheme. If anyone is unhappy with the actions or inactions of their bank, they should complain to their bank in the first instance. If unhappy with the response, they may be able to ask the Financial Ombudsman Service to consider their case.

Our conclusions are based on the information and evidence provided in your email to us. However, if there is any further information or evidence you could provide that you think would be relevant to our assessment of whether this is a complaint we could investigate under the Scheme, please let us know.

Your request for information can be made under the Freedom of Information Act 2000, therefore you can send your request to FOI@fca.org.uk. Please visit the following link for further details: <https://www.fca.org.uk/freedom-information>

Why you are unhappy with the regulator's decision

4. You have asked me to review the FCA's decision, you told me:

I am not at all satisfied with how my complaint has been handled and the additional information I have supplied appears to be ignored.

My analysis

5. In response to the FCA's decision letter, you said:

I stood as a UKIP candidate in 2015 under the leadership of Mr X in my own constituency of X. I too believe that Britain should leave the EU along with 52% of voters in the 2016 referendum. I too have business and personal bank accounts in the UK and so I can assure you this matter concerns and interests me greatly.

Now that the dossier has been published by which Bank X made their decision, it is clear that a decision was made by them to de-bank Mr X because of his political views.

It is revealed in the press that 10 other banks, including I must suppose my own bank, have refused Mr X a bank account because of his political views. Clearly, I and my business are at risk of being de-

banked and I want to know what action the FCA are taking to protect people like Mr X and myself.

I am further dismayed to note the breach of client confidentiality by the bank via the BBC, not to mention the fact that the source from the bank lied about Mr X's financial standing.

I want to know what you/the FCA are doing with regard to this breach of client confidentiality and breach of articles 2 and 5 of the GDPR and the defamation that is now apparent in relation to the financial standing of Mr X.

I am now a member of and intend to be active with the Reform Party in the run up to the next UK General Election and I demand assurances that I can bank safely and without fear of cancellation, defamation or breach of confidentiality.

6. Although I know it will disappoint you, the FCA investigator was right not investigate your complaint under the Complaints Scheme. Whilst you have provided details of your personal circumstances and the concerns you have regarding your own banking facility, the fact remains you are not an eligible complainant as you have not been directly affected.
7. An eligible complainant under the complaints scheme is detailed as:
 - 3.2 Complaints can be made by anyone who is directly affected by the way in which the regulators have carried out their functions, or anyone acting directly on such a person's behalf, provided that the complaint meets the requirements of the Scheme. To be eligible to make a complaint under the Scheme, a person must be seeking a remedy (which for this purpose may include an apology) in respect of some inconvenience, distress or loss which the person has suffered as a result of being directly affected by the regulators' actions or inaction.
8. It should also be noted, the Complaints Scheme is concerned with the actions or inactions of the FCA. It cannot deal with complaints against banks, individual firms [or against the Financial Ombudsman Service (FOS)], nor is it a redress service for individual consumer complaints.

9. The FCA does have a statutory duty to secure an appropriate degree of protection for consumers. It does so by regulating the financial industry through the setting of standards which firms must meet, and by taking enforcement action where that is justified. It does not investigate individuals' complaints against the firms it regulates: that is the role of the FOS.
10. Whilst the FCA did not investigate your complaint, I am pleased to see it has passed the details you provided about Bank X to its supervision team for their consideration. The regulator 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 that it receives. This is because section 348 (s.348) of the Financial Services & Markets Act 2000 (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. [There is a good explanation of the statutory and FCA policy restrictions on information sharing at <https://www.fca.org.uk/freedom-information/information-we-can-share>.] This means that, as you were told, there is no general right for members of the public to know the outcome of reports that they make.
11. In response to my preliminary report you have told me about suspicions and concerns you have involving your Firm being denied access to certain mortgage lender panels and difficulty in late 2021 in trying to have your firm accredited under the Conveyancing Quality Scheme administered by the Law Society which involved credit checks on the partners which is where the PEP regime comes in.
12. Whilst I am sorry to hear of the difficulties you have experienced and I thank you for taking the time to provide your comments, you are right when you say I am unable to investigate these matters for you.

My decision

13. For the reasons outlined above, I am unable to investigate your complaint under the Complaints Scheme.

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Complaints Commissioner

13 September 2023