



09 December 2025

Final report by the Complaints Commissioner

Complaint number 202500310

The complaint

1. On 23 June 2025, you submitted a complaint to my office about the FCA's handling of your complaint against Firm X.
2. The purpose of this decision is not to comment on every individual point or question you have made, rather it is to set out my findings on the substantive issues of the complaint and reasons for reaching them, in deciding what is fair and reasonable in the circumstances. I have summarised your complaint as follows:

Element One – The FCA should confirm whether what Firm X told you on 17 April 2025, that it had acted in accordance with FCA Handbook Principles in its dealings with you, was true or not. It is unreasonable for the FCA to remain silent on your complaint against Firm X, and this has prevented you from achieving a better settlement from Firm X.

Outcome: Not upheld.

Element Two – It was unreasonable for the FCA not to confirm in writing what it told you during a call on 5 February 2025, that Firm X had breached certain FCA Handbook Principles. If it had done this, you could have achieved a higher settlement with Firm X.

Outcome: Not upheld.

3. You assert that the FCA should compensate you for the sum you consider Firm X should have paid you, namely circa £8,000 (the value of your account which you believe you could have lost if fraud had occurred, although you did not incur any loss, less £300 you received from Firm X in compensation).

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4. However, because neither of these elements have been upheld, and because you have not incurred a loss, I do not recommend the FCA should offer you compensation. Even if you had incurred a loss, it would be for the Financial Ombudsman Service (“**FOS**”), not the FCA, to compensate you for that loss.

Background

5. On 22 January 2025 you complained to Firm X that there had been 33 attempted fraudulent withdrawals from your account (none of which were successful). You stated that when Firm X responded the same day, it told you it had detected no unauthorised activity.
6. On 5 February 2025 you reported this to the FCA and provided images of the declined transactions.
7. On the same day the FCA acknowledged your communication. You assert that, during a call with the FCA that day, the call handler told you that the incident constituted a breach of FCA Handbook Principles.
8. On 18 February 2025 Firm X provided a written response to your complaint (I have not seen a copy of this document).
9. On 20 February 2025 you passed the FCA a copy of the Letter before Claim you sent to Firm X on the same day which alleged:
 - a. You would have lost money if the malware had succeeded.
 - b. Firm X had failed to conduct its business with due skill, care and diligence, and had failed to take reasonable care to organise and control its affairs responsibly and effectively with adequate risk management systems. Firm X had failed to ensure adequate protection for clients' assets, in breach of FCA PRIN 2.1.2, PRIN 2.1.3 and PRIN 2.10.
 - c. Firm X had lied to you by suggesting that it had not made an error and that there was no case to answer.
 - d. Firm X had breached its own rules by not suspending your account and there was malware operating out of control within Firm X.

- e. Although you had suffered no financial loss, Firm X should compensate you for what you could have lost if those transactions had been permitted, i.e. the value of your account (circa £8,200).
- f. The £60 goodwill payment initially offered by Firm X was a ‘bribe’, was paid into your account without permission, and you did not accept it as settlement.

10. You added that Firm X had told you that *“there was a temporary glitch with the app, which displayed completely unrelated entries in error.”*

11. On 21 February 2025 the Supervision Hub acknowledged your previous communication but stated it could not provide an update on or discuss any action it might take in response to the information you provided.

12. On 27 February 2025 you wrote to the FCA, stating that Firm X had not shifted its position, and asserting that:

- a. The FCA has a limited duty to advise on the FCA Handbook Principles over which it is engaging with Firm X.
- b. Firm X cannot deny it has breached FCA Handbook Principles if the FCA believes it has breached these principles and is engaging with Firm X.
- c. Although you were not asking for a narrative of any discussions between the FCA and Firm X, you wanted confirmation that the FCA was challenging Firm X on certain regulatory grounds.

13. On 17 April 2025 Firm X wrote to you again, denying it had breached any FCA Handbook Principles in its dealings with you.

14. On 2 June 2025 you issued a complaint against the FCA to the effect that:

- a. It was remaining silent while Firm X was denying it had breached FCA Handbook Principles.
- b. It had not confirmed in writing what it had told you on a call, that Firm X had breached certain FCA Handbook Principles.
- c. It should compensate you for the sum you consider Firm X should have paid you, namely circa £8,000 (the value of your account which you believe

you could have lost if fraud had occurred, although you did not incur any loss, less £300 you received from Firm X in compensation).

15. You asserted that but for these failures on the part of the FCA, you could have achieved a better settlement with Firm X.
16. On 20 June 2025 the FCA issued its Decision Letter. It did not uphold the first part of your complaint and held that it had not failed to supervise Firm X appropriately. It did not address the second part of your complaint. The FCA offered no compensation.
17. On 23 June 2025 you criticised the FCA for suggesting that one of your complaints was that it had not supervised Firm X appropriately. You explained that you were complaining because the FCA had not confirmed in writing what it had told you on a call, that Firm X had breached certain FCA Handbook Principles. You added that you believed the FCA had been communicating with Firm X over potential breaches.
18. On 23 June 2025 the FCA explained to you that during the 5 February 2025 call, you were only told about the high-level principles which regulated firms are expected to adhere to, in particular PRIN 3 (management and control), PRIN 9 (customer relationships and trust) and PRIN 12 (delivering good outcomes for retail customers). The FCA has subsequently advised me that you were not told that Firm X had breached any specific guidelines or rules, as you had suggested.
19. On 23 June 2025 you complained to my office.

Preliminary Points

20. You have suggested that I may have gone beyond my remit in preparing this report. I do not share that view. Many of the points you objected to were included in reference to specific points you raised. I am satisfied that the findings I have made are within the scope of my remit as the Complaints Commissioner.

My Analysis

Element One - The FCA should confirm whether what Firm X told you on 17 April 2025, that it had acted in accordance with FCA Handbook Principles in its dealings

with you, was true or not. It is unreasonable for the FCA to remain silent on your complaint against Firm X, and this has prevented you from achieving a better settlement from Firm X.

21. The FCA has stated that it is bound by confidentiality rules, and therefore that it could not comment on a firm's conduct in general. The FCA's Decision Letter to you explains this in more detail, and I do not consider it necessary to repeat that explanation here.
22. I agree with the FCA's position, and as I am bound by the same confidentiality rules, I also cannot comment on Firm X's conduct or whether it breached FCA Handbook rules.
23. I have reviewed the FCA's case file, and I can see that the information you provided on Firm X was passed onto, and received by, the relevant supervision teams for their consideration. I am satisfied with how the FCA has handled this information.
24. The FCA investigates concerns arising from information about individual complaints, but it investigates those in the broader context of considering whether or not regulatory action is justified, rather than whether or not the individual requires redress. This means that, as in your case, the FCA does not provide opinions or make findings in legal disputes between individuals and regulated firms.
25. It is the role of the FOS to determine disputes between financial services providers and their customers. In relation to the particular circumstances of your dispute with Firm X, it is open to you to approach the FOS, the independent complaint-resolution scheme established by Parliament under the Financial Services and Markets Act 2000 ("FSMA"). The FOS's role is to resolve individual complaints between regulated firms and their customers. It would be able to consider your complaint against Firm X and determine, in light of the specific facts of your case, whether the firm breached any rules or principles in its dealings with you. Alternatively, you may continue with the legal proceedings you have initiated.
26. For the reasons above, I do not uphold Element One of your complaint.

Element Two – It is unreasonable for the FCA not to confirm in writing what it told you during a call on 5 February 2025, that Firm X had breached certain FCA Handbook Principles.

27. You assert that the FCA has failed to put in writing what you were told by a call handler on a call with the FCA on 5 February 2025, namely that Firm X had breached certain FCA Handbook Principles. You add that if you had received this information, you could have achieved a better settlement with Firm X.
28. The FCA has stated that, during the 5 February 2025 call, you were only told about the high-level principles which regulated firms are expected to adhere to, in particular PRIN 3 (management and control), PRIN 9 (customer relationships and trust) and PRIN 12 (delivering good outcomes for retail customers). The FCA states that you were not told that Firm X had breached FCA Handbook Principles.
29. Following review of the audio of the 5 February 2025 call you made to the FCA, I agree with its position, that it did not offer any opinion on whether Firm X had breached FCA Handbook Principles.
30. The FCA has subsequently accepted that it could have explained more clearly in its Decision Letter that your recollection of the call differed from its recording of that call.
31. For these reasons I do not uphold Element Two of your complaint and I cannot help you further under the Complaints Scheme.

The Complaints Commissioner

Complaints Commissioner

09 December 2025