



17 February 2026

Final report by the Complaints Commissioner

Complaint number 202500474

The complaint

1. On 13 September 2025, you submitted a complaint to my office about the FCA. Your complaint was in relation to concerns you had raised to the FCA regarding an FCA registered Community Benefit Society (the “**Society**”) and the way in which the FCA had dealt with those concerns. Further, you were not satisfied with the way that the FCA handled your complaints. I have summarised your complaint as follows:

2. **Element One** – The FCA has not handled the concerns you raised in relation to the Society, (as outlined in paragraph 5 below), appropriately.

Outcome – Not upheld. The FCA has reviewed the information you provided about the Society appropriately. I agree with the FCA that due to confidentiality restrictions under section 348 Financial Services and Markets Act 2000 (“**FSMA**”) and its own internal policy on sharing information, it is not able to disclose to you what action, if any, it took as a result of the information you provided it.

3. **Element Two** – There were procedural failures and a lack of transparency, independence and fairness in the way the FCA handled your complaints, specifically that the same person within the FCA re-reviewed your submissions after the FCA had told you they would be re-reviewed by a Senior Associate.

Outcome – Not upheld. The FCA has explained that whilst it followed its correct internal procedure for reviewing your submissions, it’s communication of this process to you was unclear. The FCA has partially upheld your complaint regarding the transparency of the re-review process and apologised. I agree

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with the FCA that their communication to you regarding the re-review of your submissions could have been clearer. However, I do not consider that there has been a lack of independence or unfairness in the way the FCA treated the information you provided and as a result, **I do not uphold** this element of your complaint. I explain my rationale in more detail below.

Preliminary Points

4. Under the Complaints Scheme which the regulators and I are subject to, complaints about other bodies are excluded. Therefore, I cannot take into account any concerns and information which you have provided about the Scottish Information Commissioner's decision which you have provided me with.

Background

5. On 25 March 2025, you raised concerns about the Society to the FCA which you have explained to me included the following:
 - a. The operation of a hydroelectric scheme on common property without the consent of all co-owners;
 - b. The financial interests and governance of the Society including the relationship between the Society and its linked charity X;
 - c. The question whether the Society is operating outside the scope of its registration under the Co-operative and Community Benefit Societies Act 2014.
6. You did not receive a response to your submission within the specified FCA timeframe. You sent two email requests for updates on 18 April and 7 May 2025. Subsequently you received a response from the FCA Mutuals Team on 9 May 2025 requesting specific further information which it asked to be submitted by 25 May 2025. You submitted further detailed information on 15 May 2025, 10 June 2025 and 25 June 2025.
7. On 25 June 2025, you issued a formal complaint to the FCA Complaints Team that the FCA had failed to respond to your submissions, and you requested confirmation that a senior associate had been assigned to investigate.
8. On 4 July 2025, the FCA issued its first Decision Letter ("**DL1**") which upheld your complaint, apologising for delays and failure to respond to emails. It stated

“Given the volume of information you have submitted, I will have a Senior Associate within the team re-review the information you have submitted. I can commit to coming back to you by 11 July 2025 to let you know if there is further information or clarification that we may require”.

9. Subsequently, on 9 July 2025, you received an email from the FCA Mutuals Team, sent from the same individual who had previously corresponded with you regarding your concerns and who had requested further information from you (on 9 May 2025). This individual confirmed that all information had been reviewed, would be considered and was valuable to the FCA but updates or commentary could not be shared with you due to the restrictions the FCA is subject to under section 348 of FSMA and other confidentiality policies.
10. On 14 July 2025, you emailed the FCA again requesting an escalation of your complaint. Your concerns included that you had not received a substantial response to your initial submissions, the FCA Mutuals Team had inadequately responded to you and you questioned why the same person from the FCA Mutuals Team had responded to you on 9 July 2025 when you had been assured in DL1 that your information would be re-reviewed by a Senior Associate within the team.
11. On 22 August 2025, the FCA issued a second Decision Letter (“**DL2**”). The FCA partially upheld your complaint. It stated that whilst it was satisfied that the submissions you had made had been considered in their entirety, it accepted that *“the re-review was not handled in a transparent manner”* and it apologised.
12. On 13 September 2025, you complained about the FCA to my office.

Analysis

Element One - The FCA has not handled the concerns you raised in relation to the Society, appropriately. Furthermore, the FCA’s reliance on confidentiality restrictions to withhold information about any action taken in response to your concerns undermines transparency and trust in the regulatory framework.

13. You provided a substantial volume of information to the FCA about the Society. It is not my intention to repeat everything you have said to the FCA, instead, I summarise the main points in the way you have referred them to me and which include concerns about the financial interests and governance of the Society

including in relation to its linked charity; and the fact that it was operating a hydroelectric scheme on common property without the consent of all owners (you being one of the owners who was not consulted). You requested the FCA to review whether the Society is operating outside the scope of its registration under the 2014 Act.

14. I understand that in DL2, the FCA stated that “it is not possible to inform you if any of your concerns fall within the FCA remit”. I do not agree that this is correct. The FCA was wrong to withhold whether the concerns you raised were within its remit to investigate, even if it was unable to tell you the outcome of those investigations.
15. In any event the FCA Mutuals Team reviewed all the concerns you raised, and I am satisfied that the FCA dealt with the information you provided appropriately. However, like the FCA, I am unable to disclose more to you.
16. Under Section 348 FSMA, there are restrictions on the FCA’s ability to share certain information about firms and registered societies (for example non-public information about their business or other affairs, that has been received by the FCA for the purpose/in discharge of its functions). This provision, to which both the FCA and I are subject, makes it a criminal offence to disclose such information.
17. 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.
18. I agree with the FCA that the substantial response you requested about its treatment of your information about the Society, is confidential under section 348 FSMA and/or its general policies on confidentiality.

19. Like the FCA, I am also subject to s348 FSMA and as such, this report is not able to cover much of the underlying material I have seen in detail.
20. However, as part of the Complaints Scheme, I have access to all the FCA's complaints papers, including confidential material. This is so that I, as an independent person, can see whether I am satisfied that the FCA has behaved reasonably. Sometimes – and in this instance - this means that all I can say to complainants is that, having studied the confidential material, I am satisfied that the FCA has (or has not) behaved reasonably – but I am unable to give further details. This can be frustrating for complainants, but it is better that I am able to see the confidential material.
21. The FCA did not specifically refer to the concern you raised regarding a hydroelectric scheme being operated, allegedly illegally, on land without the landowner's consent in its decision letter. You have stated that you instigated legal proceedings against the Society, and that these proceedings are reflected in the Society's annual audited accounts.
22. I raised this in my preliminary report and the FCA has clarified to me, although it was not referenced in either DL1 or DL2, that whilst it did consider this concern, it formed the view that it was a legal dispute over land which is outside its remit as the Registrar of Mutual Societies and would therefore need to be settled through the courts.
23. It is not my role under the Complaints Scheme to give a definitive legal ruling on the scope of the FCA's statutory powers; that is ultimately a matter for the courts. My role is to consider whether the FCA acted reasonably in reaching the view that the issue you raise concerns a private legal dispute rather than a matter within its regulatory functions. Having reviewed the FCA's explanation, I am satisfied that it was not unreasonable for the FCA to conclude that a commercial dispute between the landowners and the Society is a matter which falls outside its remit.
24. My conclusion is that the FCA has not acted unreasonably in its review and investigations of your submissions, albeit the Regulator could have been clearer in its Decision Letters. For these reasons, I **do not uphold** this element of your complaint.

Element Two - There were procedural failures and a lack of transparency, independence and fairness in the way the FCA handled your complaints, specifically that the same person within the FCA re-reviewed your submissions after the FCA had told you they would be re-reviewed by a Senior Associate

25. I have reviewed the correspondence regarding your submissions and complaints to the FCA and its responses.
26. The FCA did not respond to your initial submissions in a timely manner, nor within its committed timescales. The FCA did accept this and apologised, upholding your complaint in DL1.
27. When the FCA wrote to you in DL1 on 4 July 2025, it did state that, it would *“have a Senior Associate within the team re-review the information you have submitted”*. I have considered this messaging, and I can understand how this may appear that a different individual (to the initial reviewer), was going to undertake a review of your submissions. This is not a clear and transparent message from the FCA.
28. In fact, the FCA have explained that it had reviewed your submissions once and when you escalated your complaint on 14 July 2025, the Mutuels Team manager requested that the senior associate who had been assigned to your matter, conduct a further review of all the information you had provided. This review was undertaken in line with FCA procedures. I do not consider this an unreasonable approach.
29. The FCA partially upheld your complaint in relation to the review of your submissions in DL2. It has again, apologised. Whilst I accept that the communication with you was not as clear as it perhaps could have been, I am satisfied that the FCA has considered your submission, now on two occasions and has undertaken a full review of the concerns you have raised. It has also made an internal recommendation for the Mutuels Team to *“consider their processes for re-reviews and the level of transparency in their communication”*.
30. I agree with the FCA that their communication to you regarding the re-review of your submissions could have been clearer and I also can see how its message may have been misunderstood. However, I do not consider that there has been a lack of independence or unfairness in the way the FCA treated the information

you provided. In particular as the FCA has explained to you, the review of your information was subject to independent oversight and governance. As a result, I **do not uphold** this element of your complaint.

The Complaints Commissioner

Complaints Commissioner

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