

07 May 2026

Final report by the Complaints Commissioner**Complaint number 202500626***The complaint*

1. On 6 January 2026, you submitted a complaint to my office about the FCA.
2. You have a dispute concerning a deposit related to a tenancy agreement, which was handled by regulated Firm X under its business name Y.
3. You are personally dissatisfied with the actions of regulated Firm X and you believe those actions demonstrate that the FCA has failed to regulate it properly. In your view, Firm X is in breach of certain FCA Handbook rules, GDPR and equalities legislation, and that had the FCA been exercising its regulatory functions effectively, the firm would not have been able to behave in the way it has towards you. Your complaint is therefore not limited to the firm's conduct but extends to what you see as a failure of oversight and enforcement by the regulator.
4. You raised these matters with the FCA but it did not uphold your complaint.
5. You brought the matter to me for an independent review because you believe the FCA did not properly address the information you provided about Firm X or conduct a thorough investigation into your complaint.
6. I have now completed the review and, for the reasons outlined below, I have not upheld your complaint.

Analysis

7. Firm X is authorised for insurance, consumer credit and investments. Firm X is not FCA-authorised for accepting deposits in respect of tenancy agreements (an

activity conducted by Firm X under its business name Y). The activities carried out by Y are not FCA-authorized.

8. Some regulated firms carry out both regulated and unregulated activities. The FCA has explained to you that the accepting of tenant deposits is not a regulated activity and therefore FCA rules do not apply to this activity, and that the FCA does not therefore supervise this activity.
9. However, the FCA does have a duty to ensure that authorized firms act in accordance with its fit and proper rules,¹ which means for example the firm must act with honesty and integrity. Therefore, although the FCA does not have the remit to supervise Firm X's non-regulated activity, if there were serious allegations against the firm (albeit in connection with its non-regulated business) that brought into question the fitness and properness of the firm, then in my view, the onus would be on the FCA to address this issue in some way, either by raising it with the firm or with other regulators.
10. I consider that the FCA should have explained this to you. In my Preliminary Report I recommended that, in future, the FCA explain to complainants the extent to which it will consider non-regulated activity in its supervision of firms.
11. The FCA has now advised me that it accepts this recommendation, and it will be shared with the wider Complaints Team.
12. The FCA also adds that its Supervision Hub *“provides extensive Risk training to colleagues in situations where a Firm’s unregulated activity may have a bearing on its regulated activity. Where a consumer contacts the FCA, a referral will be made if the Supervisor considers there to be a risk.”*
13. However, although the FCA could have provided more clarity regarding this, the fact it did not do so does not affect the merits of your complaint or its outcome.
14. The information you provided about Firm X has been logged against the firm and made available to the relevant FCA areas in accordance with its internal procedures, but neither the FCA nor I can disclose what it has done about the information due to legal and policy restrictions (see below).

¹ <https://www.fca.org.uk/firms/senior-managers-and-certification-regime/fitness-and-propriety-fp>

15. The FCA does not investigate individual disputes between consumers and regulated firms, however, it reviews concerns arising from information about individual complaints in the context of considering whether or not regulatory action is justified, rather than whether or not the individual requires redress.
16. The FCA does not generally say what action has been taken in response to the information that it receives. This is because s.348 of the Financial Services and 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.
17. I am also required to respect confidentiality. This means that sometimes I cannot report fully on the confidential material to which I have access. 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 assess whether I am satisfied that the FCA has acted reasonably.
18. I consider that the FCA Complaints Team has dealt with your complaint appropriately by reviewing the information you sent and handling it appropriately.
19. For the above reasons I do not uphold your complaint.
20. I will add that complaints involving GDPR, for the purpose of personal redress, can be taken to the Information Commissioner’s Office.
21. I also suggested an alternative complaints process more closely linked to your complaint in the cover letter to my Preliminary Report.

The Complaints Commissioner

Complaints Commissioner

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