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Complaints Commissioner

22 July 2026

Final report by the Complaints Commissioner

Complaint number 202500660

The complaint

1. The On 06 February 2026, you submitted the following complaint to me about the FCA, which I summarise as follows:

   Element One: The FCA failed to properly supervise and regulate authorised firm MoneyThing Capital Limited ("MoneyThing").

   Outcome: I agree with the FCA's decision not to investigate your complaint under paragraph 2.11 (c) of the Complaints Scheme (November 2023), which provides that the FCA will not investigate a complaint where it reasonably considers it has already responded adequately to the same or a substantially similar complaint from you on a previous occasion. I do not uphold your complaint that it should further investigate your complaint.

2. **Element Two**: The FCA acted unlawfully by allowing MoneyThing to carry on peer-to-peer ("P2P") lending activity for approximately two years without holding the specific Part 4A permission required to conduct P2P activities i.e. the operation of an electronic system in relation to lending (Article 36H of the Regulated Activities Order ("RAO")).

   Outcome: I found the FCA's rationale for its decision that, because MoneyThing was authorised for different activities, it was able to allow it to continue to conduct other activities for which it did not have permission, while the position was regularised, to be reasonable and I do not uphold the complaint on that basis.

Element Three: The FCA failed to comply with rules and statutory requirements by taking over 12 months to decide on the firm's Part 4A application whilst it held interim permission. Under section 55V of FSMA, the FCA is required to determine Part 4A applications within specified timeframes. As a result, the firm's permissions should be considered expired. In line with article 58(1B), MoneyThing's interim permission automatically lapsed 12 months after the submission of the unresolved Part 4A application. Your subsequent losses could have been avoided if the FCA had not breached its statutory requirements.

Outcome: The complaint is upheld insofar as the FCA failed to determine the firm's Part 4A application within the relevant 12-month period. For the purposes of the Complaints Scheme, I consider this to amount to an administrative failing.

3. However, I find the FCA's view that the delay did not, of itself, invalidate the firm's regulatory permissions to be reasonable. Accordingly, I do not uphold the complaint that the FCA's delay in granting authorisation invalidated the firm's regulatory permissions.

4. That is as far as I can go under the Complaints Scheme. My findings in paragraph 2 and 3 above should not be taken as findings that the FCA acted lawfully. Whether the FCA's actions were lawful or otherwise legally invalidated the firm's regulatory permissions, is ultimately a matter for the courts to determine.

5. There is a separate question of whether the delay caused the losses you allege you incurred. I considered this issue in my 2024 report[1] and concluded I do not find that the FCA's delay, of itself, caused those losses.

Analysis

Element One: The FCA failed to properly supervise and regulate MoneyThing.

6. I am sorry to hear you feel your concerns regarding the FCA supervision of Moneything have not been resolved.

[1] https://frccommissioner.org.uk/wp-content/uploads/The-Complaint-Commissioners-Final-Report-into-the-Financial-Conduct-Authoritys-Oversight-of-Moneything-Issued-21-June-2024.-Published-18-July-2024-2.pdf

7. You allege that the FCA has deliberately summarised your complaint at a high level—namely, that it “allowed MoneyThing to mislead customers, failed to properly supervise MoneyThing, and granted full authorisation despite it not meeting the Threshold Conditions”—in order to avoid addressing the specific points you raise.

8. However, in your complaint to the FCA dated 1 December 2025, you yourself describe your complaint as being that the FCA failed to properly supervise and regulate MoneyThing. The FCA’s summary reflects the substance of how you framed your complaint. It has not mischaracterised it in order to avoid the issues you raise.

9. Both the FCA and I have considered and concluded complaints on this matter. I issued a report on this in 2024[2]. I recognise that you may feel certain questions about the FCA’s supervision have not been fully addressed in that report.

10. However, as I stated in that report, my findings focused on what I considered to be the central issues, and not all the points raised. This isn’t meant as a discourtesy. But the purpose of my decision isn’t to address every single point the FCA, or you the complainant have raised or to answer every question asked. My role is to consider the evidence presented to reach a decision whether the regulator acted reasonably, based on the substantive facts of the case. In this context, I consider the FCA and I have already responded adequately to the same or a substantially similar complaint from you on a previous occasion. In response to my preliminary report, you have raised these issues again, however, for the reasons above I consider the FCA’s position not to investigate them reasonable. You also raise further concerns regarding MoneyThing's wind-down plan. In particular, you submit that the firm's wind-down plan was inadequate and that the FCA failed adequately to monitor its implementation. However, I have already considered similar allegations concerning MoneyThing's wind-down arrangements in my 2024 report. For example, in paragraph 33 of that report, I say “A case can be made that the

[2] https://frccommissioner.org.uk/wp-content/uploads/The-Complaint-Commissioners-Final-Report-into-the-Financial-Conduct-Authoritys-Oversight-of-Moneything-Issued-21-June-2024.-Published-18-July-2024-2.pdf

FCA could have potentially taken a more robust approach in ensuring that the wind-down plan for the firm was made clearer".

11. After carefully considering the information you have provided, I have concluded that I agree with the FCA's decision not to investigate your complaint under paragraph 2.11 (c) of the Complaints Scheme (November 2023), which provides that the FCA will not investigate a complaint that it reasonably considers it has already responded adequately to the same or a substantially similar complaint from you on a previous occasion.

12. For the reasons above, I do not uphold your complaint that the FCA has applied paragraph 2.11 (c) of the Complaints Scheme incorrectly.

Element Two: The FCA acted unlawfully by allowing MoneyThing to carry on peer-to-peer ("P2P") lending activity for approximately two years without holding the specific Part 4A permission required to conduct P2P activities i.e. the operation of an electronic system in relation to lending (Article 36H of the Regulated Activities Order ("RAO")).

13. You phrased your complaint slightly differently from the way I have summarised it above. However, I have used a contextual and summary-based interpretation to reflect the substance of your complaint, which is the same complaint I have considered in a separate investigation.

14. The crux of the issue is whether in allowing MoneyThing to operate and advertise its P2P activities and take on new customers for over two years without the necessary permissions, the FCA acted beyond the scope of its statutory powers and therefore unlawfully.

15. I have investigated this element complaint in full under a separate report issued for complaint 202500277[3]. I appreciate that you had not seen this report when you submitted your complaint. I do not repeat that analysis here. My full reasoning is set out in that decision, which I incorporate by reference. In summary, I found the FCA's rationale for why it did not act beyond the scope of

[3] https://frccommissioner.org.uk/wp-content/uploads/202500277-Issued-31-March-2026.-Published-07-May-2026.pdf

its statutory powers reasonable (although only a court can determine whether it acted lawfully or not), and therefore I do not uphold the complaint on that basis.

Element Three: The FCA failed to comply with rules and statutory requirements by taking over 12 months to decide on the firm's Part 4A application. Under section 55V of FSMA, the FCA is required to determine Part 4A applications within specified timeframes. As a result, the firm's permissions should be considered expired. In line with article 58(1B), MoneyThing's interim permission automatically lapsed 12 months after the submission of the unresolved Part 4A application. Your subsequent losses could have been avoided if the FCA had not breached its statutory requirements.

16. This is not a complaint that you have previously referred to either the FCA or to me. However, I have asked queries of the FCA in order to provide an answer to your allegation.

17. The FCA's position on whether it breached any rule or statutory requirements by taking more than 12 months to determine the firm's Part 4A application is as follows:

> "Article 58 of the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No. 2) Order 2013. Article 58 makes provision about the duration of interim permission. In broad terms, where a firm with interim permission makes an application for Part 4A permission in accordance with the terms of Article 58, then the interim permission comes to an end once that Part 4A application has been determined. (And for this purpose, Article 58 sets out the dates at which a Part 4A application may be considered 'determined' for the purposes of Art 58(1)(a) and (1B)(a).
>
> As you are aware, the firm did not have interim permission for P2P activity. But Article 58 would have been relevant to other interim permissions that the firm held.
>
> The complainant argues 'In accordance with article 58(1B), MoneyThing's IP legally lapsed 12 months after submission of the undetermined Part 4A application'. However, there is nothing in Article 58 which sets out such an automatic 12 month deadline where a Part 4A application has been made which complies with the requirements of Art 58.

The complaint also refers to section 55V FSMA, which places obligations on the FCA for determining Part 4A applications within certain timescales. However, neither that provision, nor any other provision in FSMA, places an obligation on the FCA to reject a Part 4A application if it has not assessed it within 12 months. Nor does FSMA require the applicant to withdraw its application if it has not been determined within this timeframe. More generally, the FCA could not refuse a Part 4A application simply because more than 12 months had passed. Any refusal would need proper legal and/or factual grounds.

Paragraphs 114–127 of the complaint letter [to the FCA] do not identify a provision that required the FCA to treat the Part 4A application as lapsed, withdrawn or refused once the 12-month period had passed. Whilst there was no interim permission for P2P lending in place in this individual case, if there had been then that permission would not have been affected by the effluxion of twelve months from the date the Part 4A application had been made".

18. In my view, there are two separate issues here: first, whether the FCA complied with its statutory obligations when determining the firm's Part 4A application; and second, what legal consequences, if any, flowed from any failure to comply with those obligations. It is therefore possible to distinguish between a regulatory, statutory or administrative failure on the part of the FCA with respect to delay and the legal status of the firm's permissions.

19. The FCA has accepted that it breached the statutory requirement. While it has acknowledged that the firm's Part 4A application remained undetermined for more than 12 months, its response focuses on disputing the legal consequences advanced by you. Whether the FCA's delay amounted to a breach of section 55V FSMA is ultimately a matter of legal interpretation and one that could only be determined conclusively by a court. However, I am entitled to consider whether the FCA's handling of the authorisation application amounted to an administrative or regulatory failing. In the context above, I consider that the FCA's failure to determine the application within the prescribed statutory period constitutes an administrative failing.

20. It does not, however, follow that the firm's permissions automatically lapsed as a result of this delay. The FCA argues that neither Article 58 nor section 55V FSMA provides that an application automatically lapses, is deemed refused, or causes permissions to expire merely because the FCA fails to determine the application within 12 months. The FCA has also clarified that whilst the firm did not have interim permission for P2P, if it had had interim permission then that permission would not have been invalidated by the passage of 12 months from the firm's Part 4A application. I find the FCA's view, that the delay did not, of itself, invalidate the firm's regulatory permissions, persuasive and reasonable. However, whether the delay legally invalidated the firm's regulatory permissions is ultimately a matter for a court and falls outside the remit of the Complaints Scheme.

21. There is a separate question of whether the delay caused the losses you allege you incurred. Having considered this in my 2024 Report, I did not find that the FCA's delay, of itself, caused those losses. I am not persuaded that a causal link has been established between the delay and the losses claimed. I note you do not agree with me and submit that the FCA's regulatory failings were the direct cause of your investment losses because, had the FCA acted differently, MoneyThing would have been prevented from continuing to accept new investors and you would therefore never have invested. I have carefully considered that submission. However, it does not alter my conclusions. As I explained in paragraph 47 of my 2024 report, "I have sympathy for those investors who have incurred losses, however, they are not attributable to the FCA, and although I have carefully considered all comments submitted to me my view remains the same for the reasons outlined in my report".

22. In response to my preliminary report you submit that the FCA has presented contradictory factual accounts and, in doing so, failed to comply with its duty of candour and its obligation to act with openness under paragraph 1.4 of the Complaints Scheme. In support of that submission, you rely upon a statement made by the FCA reproduced at paragraph 13 of my report in complaint 202500277, that its assessment was that MoneyThing "was acting in accordance with our P2P requirements, save only for the fact that they had not

made the declaration which would have led to their being automatically granted those interim permissions".

23. You submit that this cannot be reconciled with the factual finding you say were recorded in my 2024 report that MoneyThing did not hold permission to undertake P2P lending before 2014. Therefore, you say, this makes the firm ineligible to apply for “interim permission to operate “an electronic system in relation to lending”. It is disingenuous for the FCA to suggest otherwise”.

24. I have carefully considered your submission but I am not persuaded that it establishes a contradiction in the findings made in my reports. The issue of whether MoneyThing would have qualified for transitional interim permission was not one I investigated or determined. In particular, I made no finding as to whether MoneyThing was carrying on P2P lending before 1 April 2014 or whether it met the statutory conditions for the grant of interim permission. Accordingly, I am not able to conclude that the FCA's statement is inconsistent with any finding made in my earlier report or that it demonstrates a failure by the FCA to comply with its duty of candour.

The Complaints Commissioner

Complaints Commissioner
22 July 2026