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Complaints Commissioner

04 August 2026

**Final report by the Complaints Commissioner**

**Complaint number 202600002**

*The complaint*

1. On 27 March 2026, you submitted a complaint on behalf of another individual (**"Individual A"**) to my office. The complaint is about the FCA's treatment of intelligence provided to it in relation to a bank, (**"Bank X"**). This intelligence regarded alleged breaches of Know Your Client (**"KYC"**) and Anti-Money Laundering (**"AML"**) requirements by Bank X through its provision of banking services to a fraudulent firm (**"Firm B"**). You also raised issues around the FCA's inadequate liaison with the Financial Ombudsman Service (the **"FOS"**). I have summarised your complaint as follows:

2. **Element One** – The FCA failed to investigate or act upon intelligence you provided in relation to Bank X providing banking services to Firm B, specifically in relation to alleged KYC and AML breaches.

3. **Outcome – Not Upheld.** The FCA has reviewed the information you provided about Bank X appropriately. I agree with the FCA that due to confidentiality restrictions under Section 348 of the 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.

4. **Element Two** – The FCA acted unreasonably in its handling of your complaint in relation to aspects concerning the FOS. Specifically, it did not:

   **a.** inform Individual A that he could complain to the FOS about Bank X; and

   **b.** it did not respond to, or act upon, requests made about co-ordinating with the FOS in respect of Individual A's complaint.

5. **Outcome – Not Upheld.** It is not the role of the FCA to advise consumers in relation to all potential complaint routes they might pursue. In addition, in this case Individual A was not a direct client of Bank X. Having reviewed the correspondence in relation to this complaint, I consider that the FCA did respond to the requests made regarding FOS coordination.

6. You submitted that Individual A's age, employment status, residence in the Philippines and status as a non-sophisticated consumer should be taken into account in assessing both reasonableness and compensation. I have considered those submissions. However, for the reasons set out above, I have not found that the FCA acted unreasonably. In those circumstances, Individual A's personal circumstances do not affect my assessment of the reasonableness of the FCA's actions and do not provide a basis for recommending compensation.

*Preliminary points*

7. I have considered all the available evidence provided to me during the course of my investigation. Whilst it is clear that you have spent a considerable amount of time reviewing correspondence and filing submissions in support of your complaint, in reaching my determination, I will only be referencing a small amount of the information my office has received from you throughout our investigation.

8. I can assure you that I have read and considered all of the submissions you have presented. The purpose of my decision isn't to comment on every individual point or question the parties have made, rather it's to set out my findings on the substantive issue of the complaint and reasons for reaching them, in deciding whether the FCA acted reasonably in the circumstances. Please note that in some cases, there may be confidentiality restrictions on disclosure of these findings and reasons.

9. You have submitted that the FCA committed a procedural error by failing to respond to your "good reason for delay" argument, which you raised on 26 February 2026. I do not agree. The FCA's scoping letter of 25 February 2026 indicated that Part One of your complaint appeared to have been made outside the time limits set out in the Complaints Scheme. Following receipt of your

response, however, the FCA proceeded to investigate Part One of your complaint and addressed it on its merits in its Decision Letter of 26 March 2026, ultimately deciding not to uphold it. The FCA therefore took into account your argument.

*Background*

10. Individual A was the victim of an unauthorised foreign exchange investment scheme (the **"Scheme"**). He made several payments amounting to approximately £80,000, to a shell company (**"Firm C"**) which was registered under Firm B, an unauthorised entity based in Cyprus. UK Bank X processed payments made to Firm C.

11. Between 2015 and 2018, Individual A provided evidence to the FCA Unauthorised Business Department (**"UBD"**) in relation to the Scheme.

12. In 2017, the FCA made a successful application to the High Court which made orders against persons involved in the Scheme requiring them to make payments to affected investors. Individual A was one of those investors and received a small amount of redress.

13. In 2024, Individual A submitted new evidence to the FCA that Companies House records showed that the shell company, Firm C, had changed its name before Individual A had made payments to it. Bank X had acted on Individual A's instructions to process the payments to Firm C. You alleged that this constituted a fundamental failure of AML controls in which Bank X acted as a gateway for the transfer of assets using high value art transactions, forged licences and processing of payments through shell companies which were dissolved or dormant. You informed me that the FCA had acknowledged receipt of the information but did not provide you with a substantive response.

14. Individual A raised a complaint with Bank X in 2024 and subsequently, a complaint with the FOS in 2025. On 27 January 2026, the FOS issued its final decision, that the complaint had been made outside of the three-year time limit and it was determined that there were no exceptional circumstances to allow the complaint to be brought out of the required timeframe.

15. Individual A then complained to the FCA Complaints Scheme on 29 January 2026 and the FCA responded in its Decision Letter dated 26 March 2026. It did

not uphold complaint allegations that; (1) the FCA had failed to identify Bank X's potential liability in relation to the Scheme; and (2) the FCA failed to handle information Individual A provided in 2024. The FCA also determined that it could not investigate the allegation that it had not engaged with your request to engage with the FOS because it related to the outcome of your complaint to the FOS and matters relating to the actions or inactions of the FOS are excluded under the Complaints Scheme.

16. Subsequently you complained to my office on 27 March 2026.

*Analysis*

*Element One - The FCA failed to investigate or act upon intelligence you provided in relation to Bank X providing banking services to Firm B, specifically in relation to alleged KYC and AML breaches.*

17. You have alleged that the FCA did not investigate Bank X following the information provided by both you and Individual A in relation to the alleged breaches of KYC and AML processes.

18. The FCA responded to your allegations in its Decision Letter dated 26 March 2026. It stated that, in relation to the earlier intelligence provided (2015-2018), it considered this to be about the Scheme that Individual A had invested in, and Individual A had provided evidence to assist with the FCA investigation in relation to the unregulated entity, Firm B (in connection with the Scheme). The FCA explained that the fact that Firm B used the banking services of Bank X would *"not automatically necessitate an investigation into them".* I consider this to be a reasonable approach from the regulator.

19. You have submitted that Individual A's email of 4 January 2016 contained information about Bank X and that it was therefore unreasonable for the FCA not to investigate Bank X. You have also pointed to a final notice with respect to another firm where the FCA did investigate the conduct of the bank. I have reviewed that email again. Whilst it refers to Bank X, I do not consider that the information it contains was such that the FCA acted unreasonably in deciding not to open a separate investigation into Bank X. My findings on this issue therefore remain unchanged. With respect to your reference to the final notice, the issue in this complaint is not whether the FCA had a general duty to

investigate Bank X, but whether it acted reasonably in responding to the information and concerns raised by Individual A. The information provided to the FCA related to Firm B, and I do not consider that the FCA acted unreasonably in treating it in that way.

20. It is also my understanding that you then submitted further information in relation to Bank X and Firm C between 2024 and 2025. This information was in relation to Bank X and whether it had conducted appropriate due diligence when allowing Firm C, the shell company, to use its banking services.

21. The FCA confirmed on a number of occasions that your information had been received and logged and considered as part of the Supervision Team's supervisory work. In addition, the FCA confirmed in its Decision Letter that the complaints team had investigated what had happened with the information you had sent to the Consumer Queries and Executive Casework Teams and assured you that it was properly considered in line with FCA guidelines.

22. 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 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 Section 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 here. 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.

23. Like the FCA, I am 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 see whether I am satisfied that the FCA has behaved

reasonably. Sometimes 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.

24. In your case, having reviewed the materials and the FCA file, I am satisfied on balance that the FCA has considered and handled the information you provided about Bank X appropriately. I am also satisfied that the complaint response, that it would not inform you of any action to be taken, or not taken, in response to the information you provided about Bank X, was reasonable in the circumstances.

25. You have also referred me to the FCA's enforcement action against the bank with respect to its banking relationship with a number of companies. You submit that these cases demonstrate a pattern of due diligence and transaction monitoring failures by Bank X and that, in light of this, the FCA ought to have investigated Bank X on the basis of the information you provided between 2015 and 2018. This is not a complaint you brought before the FCA or to me. I note you have mentioned this in response to my preliminary report. However, it does not alter my findings. As explained above, I am satisfied that the FCA appropriately considered and handled the information you provided about Bank X with respect to Firm B. The subsequent enforcement actions to which you refer does not demonstrate that the FCA acted unreasonably in its handling of the information you submitted in this case.

26. For these reasons, I **do not uphold** this element of your complaint. I recognise that there's a difficult balance to be struck between protecting confidential information to enable us to do our job and encourage potential informants, and the need to give consumers sufficient information and confidence to judge whether or not the regulatory system is operating effectively.

*Element Two - The FCA acted unreasonably in its handling of your complaint in relation to aspects concerning the FOS. Specifically, it did not inform Individual A that he could complain to the FOS about Bank X, and it did not respond to or* *act upon requests made about co-ordinating with the FOS in respect of Individual A's complaint.*

27. You have alleged in your complaint to my office, that when Individual A was providing information and evidence about the Scheme between 2015-2018, the FCA did not advise him to bring a complaint about Bank X to the FOS. This is not a complaint which you raised with the FCA in the first instance. This is normally required by the Complaints Scheme. However, I offer a preliminary view below.

28. As a preliminary point, it is my understanding that Individual A did submit a complaint to FOS in 2025, but this complaint was found to be time-barred because; (1) it related to payments made in 2015; and (2) Individual A did not complain to Bank X until 2024. It was therefore time-barred. In addition, the FOS did not find that there were any exceptional circumstances to allow the complaint to be brought out of time. Whilst the FOS determination is not pertinent to this complaint, I note that the decision of the Ombudsman dated 27 January 2026 states that he did not think *"it's material here whether the FCA explicitly flagged [Bank X] as the receiving bank".* He confirms that Individual A *"reasonably ought to have known that he has reason for complaint about the fraudster's bank if he remained unhappy about things".*

29. The information that Individual A provided between 2015-2018 resulted in action against Firm B. You contend that, in addition to considering your information about Firm B, the FCA should have recognised that the matters you raised potentially gave rise to complaints against regulated firms and should have directed Individual A towards the appropriate route of redress. I do not agree. In my view, it is not the FCA's role, nor is it under any general regulatory obligation, to identify potential causes of action or advise consumers about possible complaints or available routes of redress in those circumstances. In this case, Individual A was conducting business with Cyprus-based Firm C, which was not authorised by the FCA. I understand that Bank X provided banking services to Firm C; however, Individual A was not a customer of Bank X and there was therefore no direct customer relationship between them. In those circumstances, I do not consider it was unreasonable for the FCA not to have specifically signposted Individual A to the FOS, and I do not consider this to be

*"an actionable procedural failure"* as you have stated in your comments to the Preliminary Report.

30. In addition, you complained to my office that the FCA *"ignored repeated requests to co-ordinate with the FOS".* Specifically, you mentioned emails dated 27 September 2024, 3 December 2024 and 4 July 2025. You stated that Individual A had asked the FCA to share the results of its investigation with the FOS and that you had requested *"that the FCA cooperate with the FOS regarding compensation claims for [Individual A]",* and you asked that the FCA Complaints Scheme facilitate coordination between the FCA and the FOS.

31. You allege that the FCA did not respond to these requests. However, having reviewed the file, it is my understanding that the FCA did respond to you in an email dated 24 October 2025 to explain that *"whilst there may be occasions where we liaise with the FOS – I don't feel it would be helpful to this case as it currently stands".*

32. You have also complained that the FCA did not agree to your requests for cooperation with FOS in terms of sharing information with respect to this case. The case was considered time-barred by the FOS, and you approached the FCA in 2025 to engage with the FOS to provide context on whether the FCA's own historic handling could constitute exceptional circumstances that would override this time bar.

33. However, the FCA did not engage with FOS in response to your request. The FCA explained in the Decision Letter that the investigation and resolution of individual disputes between consumers and firms, including decisions on time limits, fall within the statutory remit of the FOS. This is correct. The FCA does not, generally speaking, involve itself in providing information to the FOS in order to assist the resolution of individual cases by the FOS, nor does the FOS expect the FCA to do so. The FOS is capable of determining a case without the input of the FCA and, in fact, Parliament envisaged that it should be operationally independent from the FCA. I understand you would have liked the FCA to do more to assist you, but that is not a reason to uphold your complaint.

34. You have submitted that, as a result of the positions taken by the FCA and the FOS, your underlying concerns were not considered on their merits. I have

considered this submission. However, it does not alter my conclusions. As explained above, the FCA reasonably declined to intervene in the FOS's consideration of your individual complaint because decisions on individual complaints, including jurisdiction and time limits, fall within the FOS's independent statutory remit. The fact that the FOS likewise determined that it should decide the matter independently does not render the FCA's actions unreasonable.

35. You have submitted that, as a result, your underlying concerns were not considered on their merits. Whether or not the FOS considered your complaint on its merits was a matter for the FOS under its statutory scheme. It does not alter my assessment of whether the FCA acted reasonably in declining to intervene in that process.

36. I therefore **do not uphold** this element of your complaint.

The Complaints Commissioner

Complaints Commissioner
04 August 2026