

17th July 2015

Dear Complainant

**Complaint against the Financial Conduct Authority
Reference Number: FCA00084**

Thank you for your email of 16th June 2015. I have completed further enquiries of the Financial Conduct Authority (FCA) and am able to write to you.

How the complaints scheme works

Under the complaints scheme, I can review the decisions of the FCA's Complaints Team. If I disagree with their decisions, I can recommend that the FCA should apologise to you, take other action to put things right, or make a payment.

You can find full details of how I deal with complaints at www.fsc.gov.uk. If you need further information, or information in a special format, please contact my office at complaintscommissioner@fsc.gov.uk, or telephone 020 7562 5530, and we will do our best to help.

What we have done since receiving your complaint

We have now reviewed all the papers you and the regulator have sent us. My decision on your complaint is explained below.

Your complaint

From your email and the papers submitted to me by you and the FCA I understand that you are dissatisfied with the FCA response to your complaint, which was summarised as follows:

You believe there is a deficiency in the FCA's processes for collecting data in relation to "rogue" firms. You have asserted that the processes in place are unreliable and do not constitute a systematic process.

You allege that customers will be put off complaining to the FCA about the behaviour of a firm because they are informed that "the FCA does not deal with individual disputes against the firms it regulates."

My position

The FCA excluded your complaint under paragraph 3.5 of the Complaints Scheme (the Scheme) which provides that complaints will not be investigated if they amount to no more than dissatisfaction with the FCA's general policies or with the exercise of, or failure to exercise, discretion where no unreasonable, unprofessional or other misconduct is alleged.

However the FCA provided additional information to you about how they deal with information (including whistleblowing) from members of the public.

Where a member of the public has a complaint about a financial product or service provided by an authorised firm, the correct statutory body to deal with this complaint is the Financial Ombudsman Service (FOS). The following FCA website page gives more details:

<http://www.fca.org.uk/consumers/complaints-and-compensation/how-to-complain>

The FOS will, if appropriate, recommend redress for individuals engaged in a dispute with a regulated firm.

The FCA also considers information about firms but it does so from an overarching regulatory perspective rather than for the purpose of investigating individual complaints against firms. The FCA collects information in a number of ways, and these were outlined in the FCA letter to you of the 15th June 2015. You remain, however, of the view that the 'processes for collecting data are unreliable and do not constitute a systemic process.' The basis for your view is that the FOS has informed you that it will not share the data with the FCA about a complaint you have against a regulated firm, but which you have not submitted to the FOS as you are considering independent legal action against the firm.

The Memorandum of Understanding between the FOS and the FCA gives additional details of the process and circumstances in which data is shared.

<http://www.fca.org.uk/your-fca/documents/mou/mou-between-the-fca-and-financial-ombudsman-service-fos>

Information sharing between the FCA and FOS is extensive. The FCA receives information from the FOS about all the complaints FOS receives in relation to the "compulsory jurisdiction", sorted by what the complaint is about (i.e. what product or service).

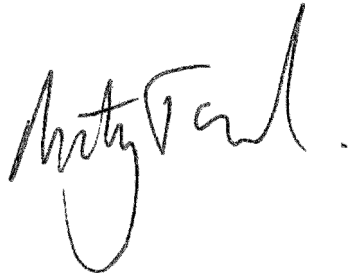
In your particular case, you raised a query with the FOS but did not submit a formal complaint. The FOS gets hundreds of thousands of queries every year, and it is unrealistic to expect them to report all of them to the FCA for action. The fact that the FCA did not report your query to the FCA is not sufficient evidence to infer that the FCA processes for collecting data are deficient.

Conclusion

Although I understand that you are unhappy with the FCA response to your complaint, I am not able to consider your complaint under the Complaints Scheme, for the reasons mentioned in the FCA letter to you of the 16th June 2015, namely that a complaint will not be investigated if it falls under paragraph 3.5 of the Complaints Scheme. In my view, the FCA's decision was correct, and they have provided you with an adequate explanation of the way in which they deal with such issues.

I appreciate that you will be disappointed with my decision but hope that you will understand why I have reached it.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Antony Townsend', with a large, stylized flourish at the end.

Antony Townsend
Complaints Commissioner