

09 September 2021

Final report by the Complaints Commissioner**Complaint number FCA001054***The complaint*

1. On 30 June 2021 you asked me to investigate a complaint about the FCA.

What the complaint is about

2. The FCA summarised your complaint as follows:

You allege the FCA have failed to check [Firm X] have followed the FCA rules and principles. You are unhappy that the FCA is allowing [Firm X] to carry on trading and that you would like the FCA to revoke or suspend the [Firm X] licence.

You are unhappy that the FCA will not help you with your issues with [Firm X]. The remedy you are seeking is for your money to be returned to your bank account.

What the regulator decided

3. The FCA did not uphold your complaint, they advised you:

Firms are required to undertake checks related to anti-money laundering law and it appears that you have had your account frozen whilst these checks have taken place. I consider it appropriate that the firm carried out these checks as required by law.

In relation to the delay in unblocking the account and the distress this has caused you, you should ensure that you have already complained directly to [Firm X] about the delay caused and any detriment caused to

you. I believe from your communications that you may already have done so. If so, you should then contact, the Financial Ombudsman Service. I appreciate you contacted the FCA for help with your situation but unfortunately this is not within the remit of the FCA to deal with individual disputes with firms. However, I have been able to review the files, and I can assure you that the information you provided has been handled correctly, even though we are unable to disclose how. For the reasons given above I have not upheld your complaint.

Why you are unhappy with the regulator's decision

4. You have told me that:

i am very unhappy that the FCA is not only NOT adhering to their own Code of Conduct but they are ignoring the fact that a company they give a licence to [Firm X] is STEALING customers money. the FCA REFUSE to look into this and told me to contact you if i had a problem with their answers.

my problem is that the FCA licence [Firm X] yet do not look into problems that customers are clearly having. the FCA are NOT transparent. [Firm X] is NOT transparent - my missing £4.5k for example - i cannot get in touch with anyone - after 6 years [Firm X] get to keep my money. they refuse to acknowledge Resolver - i want to know where my money is. the FCA say that the money is "ring-fenced" and "safe" but i am unable to find out where it is? [Firm X] trade on "wanting to help the underserved" - the very vulnerable people (on benefits, trying to better manage their money) are the very demographic whose lives they are putting not only in financial hardship but emotional distress. [Firm X] do not adhere to their own T&C's (the state if they freeze an account it will only be for 35 days - for me 7 months so far and other customers 2 years).

this is all down to the fact that the FCA just want me to complain to the FOS (the FOS is employed by the FCA) - i am told by the FOS that

they are now investigating Firm X BUT still [Firm X] has a licence so more and more downtrodden people are taking a card out in good faith only to have their accounts locked, blocked and frozen.

My analysis

5. You have had your money frozen in an account with [Firm X] and are unhappy the FCA licence [Firm X] and will not look into it. The FCA have told you to raise your complaint with FOS and if you are unhappy with the FCA's response to raise it with my office.
6. 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.
7. I recognise that there's a difficult balance to be struck between protecting confidential information, and the need to give consumers sufficient information and confidence to judge whether or not the regulatory system is operating effectively.
8. Having studied the FCA's records I can say that I am satisfied that the FCA has not ignored the information which you have provided and is giving it proper consideration. Unfortunately, I cannot say any more than that, and I recognise that that will be frustrating for you.
9. This Complaints Scheme is concerned with the actions or inactions of the FCA. It cannot deal with complaints against banks, individual firms [or against the Financial Ombudsman Service (FOS)], nor is it a redress service for individual consumer complaints. The Financial Services and Markets Act 2000 explicitly provides for a consumer redress service separated from the FCA.

10. That does not mean that the FCA cannot investigate concerns arising from information about individual complaints, but it investigates for the purpose of considering whether or not regulatory action is justified, rather than whether or not the individual requires redress. The fact that a bank or firm may have done something which justifies redress does not automatically mean that regulatory action is justified – that would depend upon the scale of the problem, and the risk of recurrence.

11. I note you have now approached the FOS who are reviewing your complaint.

My decision

12. I am sorry as I know that this decision will disappoint you but for the reasons set out above, I agree with the FCA's decision not to uphold your complain

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Complaints Commissioner

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