

01 September 2022

**Final report by the Complaints Commissioner****Complaint number FCA001715***The complaint*

1. On 24 April 2022 you asked me to investigate a complaint about the FCA

*What the complaint is about*

2. The FCA summarised your complaint as follows:

## Part One

My understanding of this aspect of your complaint is that you are unhappy with bank branch closures (most recently re Bank X and Y) and the move to open banking / conducting personal banking via internet. You believe the latter puts the onus on the consumer. There are a lot of scams on the internet which you have said makes it dangerous for consumers. You feel the FCA has a duty to protect consumers. You have complained to the Financial Ombudsman Service, but they sent you back to the FCA.

## Part Two

You are unhappy with the customer service you have received from the FCA's Chief Executive's Office (CEO).

*What the regulator decided*

3. The FCA decided that Part One of your complaint is out of the scope of the Complaints Scheme. It said paragraph 3.4(c) of the Scheme explains that this type of complaint is excluded from the Scheme. This is because your complaint relates to the performance of the regulators' legislative functions as defined in the Financial Services Act 2012 (including making rules and issuing codes and general guidance).

4. The FCA then went on to provide you with information about the guidance it has in place [FG20/3: Branch and ATM closures or conversions | FCA](#) to ensure customers are protected by making sure that firms assess customer needs and consider the availability and provision of alternatives where closures or conversions are planned.
5. The FCA partially upheld Part Two of your complaint. The FCA decision letter said 'I do not believe that any of the supervisors committed to a specific call back. However, there were a number of missed opportunities to provide you with a clear message which would have managed your expectations and made it clear that you would not receive a call back to discuss the issues you had raised'.

*Why you are unhappy with the regulator's decision*

6. You wrote to me to say your complaint was more than just about the closure of bank branches and access to cash. In particular you mention internet fraud risk. You say this was not addressed by the FCA. (Element One)
7. In addition, you are not happy with the FCA's response to Part Two of your complaint as you say that the FCA has not enforced any remedies or addressed your concerns nor has it compensated you for taking the time and effort to drawing substantial risks to the regulator's attention. (Element Two)

*My analysis*

Element One

8. Your complaint is that banks are closing bank branches which affects some consumers' access to cash and that in moving to online banking, not enough is being done by the banks or the regulators to address the potential internet fraud that may ensue.
9. The FCA excluded your complaint under paragraph 3.4(c) of the Scheme which explains that this type of complaint is excluded from the Scheme. This is because your complaint relates to the performance of the regulators' legislative functions as defined in the Financial Services Act 2012 (including making rules and issuing codes and general guidance).

10. In my view the FCA is wrong to exclude your complaint in this way. However, it is clear to me that your complaint is general in nature. Paragraph 3.5 of the Scheme states that the FCA will not investigate complaints which 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.
11. In my view paragraph 3.5 of the Complaint Scheme applies. You have raised some general points. The FCA has provided you with information about its guidance on bank closures and how it seeks to protect consumers with respect to these. You have said to me that you do not agree your comments are general in nature, however, my view on this point remains the same.
12. You have said to me that you are also concerned about internet fraud and 'scams'. I can see that you raised this point in your complaint to the FCA, but it has not addressed it specifically in its response letter to you.
13. Whilst the FCA website has many articles and pages dedicated to this, I **recommended** the FCA provide you, in order to be helpful, with information about how it seeks to protect consumers from internet banking fraud and scams. The FCA accepted this information and wrote to you on 19 August 2022, with a copy to me. I have seen this letter and in my view it answers the points you initially made. You have subsequently said you feel that it is the banks themselves, not just the FCA, which should be providing clear guidance to their clients about the risks of digital banking. I **invite** the FCA Complaints Team to feed your comments back to Supervision with a view to ensuring that the banks mirror the FCA's efforts in alerting clients to these risks.
14. The FCA has explained to you that bank branch closures and internet banking services are commercial decisions taken by banks. The FCA is monitoring these activities to ensure consumer protection, and it has explained how it does so with respect to bank branch closure. I am now inviting it to do so with respect to internet banking services and potential scams/fraud.
15. Subject to the above, it is my view that paragraph 3.5 of the complaint Scheme applies and there is nothing more that can or needs to be addressed on this point under the complaints Scheme subject to paragraph 13 above.

## Element Two

16. The FCA has apologised for not being clear that you would not receive a call back on the issues you raise.
17. The FCA has addressed your concerns about bank branch closures and I have asked it to address your concerns about internet fraud connected to online banking. It has already told you that any information that you provide to the FCA about bank X (or any other organisation we regulate) will be forwarded to the relevant supervisory team. However due to confidentiality restrictions it cannot give updates or provide feedback.
18. I am afraid that there is no remedy available under the Complaints Scheme to compensate members of the public who write to the FCA on matters they wish to bring to the regulators attention.
19. For the reasons given above, I do not uphold this element of your complaint.

Amerdeep Somal

Complaints Commissioner

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