

Final report by the Complaints Commissioner, 7th December 2017

Complaint number FCA00401

The complaint

1. On 10th October 2017 you asked me to investigate a complaint about the FCA. I have carefully reviewed the papers sent to me by you and by the regulator. I was sorry to learn about the difficulties which you have experienced.
2. On 7th November, I issued you with a preliminary report on my findings, on which you did not comment.

What the complaint is about

3. In its decision letter on your complaint, the FCA described your complaint as follows:

Part One

You have said that loans have been taken out in your name, without your knowledge.

You are unhappy with how the firms, including a credit reference agency, dealt with the loan applications and said that firms should be investigated.

Part Two

You have said because fraudsters have taken out loans in your name without your knowledge that the role of the FCA should be investigated.

What the regulator decided

4. In response to Part One, the FCA said that your complaint was outside the scope of the Scheme. This was because the Scheme only deals with complaints against the FCA, not against the firms which it regulates – complaints about the firms should be made to the Financial Ombudsman Service (FOS).
5. In response to Part Two of your complaint, the FCA said that it would not investigate it because your complaint amounted to no more than dissatisfaction with the FCA's general policies – there was no evidence of unreasonable, unprofessional, or other misconduct by the FCA.
6. The FCA did, however, give you an explanation of the steps which it takes to require authorised firms to have systems and controls to reduce the risk of fraud, and the guidance it has published.

Why you are unhappy with the regulator's decision

7. You have accepted the FCA's advice that you should approach the FOS about your complaint against the particular firms. However, you are not satisfied with the FCA's response to Part Two. You say that, having made the complaint, "I should expect that the FCA would investigate firms to be sure that the firms are complying with the regulations.....and sadly the FCA's response leaves one with

the distinct impression of a technical bureaucracy that doesn't really take individuals seriously.”

My analysis

8. I recognise that, having suffered a stressful experience, you understandably want some comfort that your concerns have not been ignored.
9. It may be helpful if I explain that – unlike the FOS, which considers individual complaints against firms – the FCA's role is to regulate firms. As the FCA has explained, it does make use of information of the kind which you have supplied to consider whether, and if so what, action may be needed. While a single error by a financial organisation may not require action, evidence of repeated or serious errors may justify the FCA's intervention (although the FCA is required by law to keep many of its activities with individual firms confidential, unless there is a formal regulatory outcome).
10. I am satisfied from having looked at the FCA's confidential papers that they have not ignored the information which you provided: I can confirm that it has been referred to the people in the FCA who are responsible for supervising firms, and who consider information of this type. I realise that my assurance will fall short of the full explanation which you would like, but I am afraid that that is as much as I can tell you.

My decision

11. I sympathise with the difficult experience which you have been through, and understand that you would like to know more about how the FCA makes use of the kind of information which you have supplied it. I am, however, satisfied that the FCA did not ignore the information which you supplied, and correctly advised you to approach the FOS. I do not, therefore, uphold your complaint.

Antony Townsend

7th December 2017