

9 November 2018

## Final report by the Complaints Commissioner

### Complaint number FCA00507

#### *The complaint*

1. On 17 September 2018 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. My preliminary report was issued on 19 October 2018 and both you and the FCA have had the opportunity to comment.

#### *What the complaint is about*

2. You complained that the FCA invoiced your firm for the full amount of annual fees for the financial year 2018/2019 even though you closed your business part-way through the year.

#### *What the regulator decided*

3. The FCA did not uphold your complaint because it said that the basis of charging was made clear to firms and it had to be fair to all firms in this situation.

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

4. You have told me that you 'didn't have the time to examine the fine print in the terms and conditions' and that your firm did no business in the year 2018/19. Although you accept that the FCA was technically correct to invoice your firm, in your view 'a pro rata reduction would be the correct form of action, and morally correct' on the grounds of fairness.
5. In response to my preliminary report you have also said that your argument was that due to unexpected retirement, for unfortunate circumstances, the moral decision should have been a pro rata arrangement for the month you were registered, taking into account you had not used the FCA's services for over a year.

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*My analysis*

6. The FCA has a clear and published policy that it will charge an annual fee unless a cancellation request is received before 31<sup>st</sup> March. You did not submit your request until 30<sup>th</sup> May. It seems to me that you have been treated by the FCA in the same way as other firms and in accordance with its policies. In my view the FCA's complaint response was reasonable on that basis.
7. In response to my preliminary report you have said that you understand that my remit is to adhere to the facts and deal with the technicalities of the matter not the moral issues. However, you are disappointed that the FCA, which in your view was formulated to instil fairness and propriety to the financial world, has taken a full year's fee for one month, which you consider to be unfair.
8. I accept that there is an argument for pro rata reductions, but that is a policy matter for the FCA, not a matter for this complaints scheme.

*My decision*

9. I am sorry to have to disappoint you, but I cannot uphold your complaint.

Antony Townsend

Complaints Commissioner

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