

2 August 2021

Final report by the Complaints Commissioner**Complaint number FCA00943***The complaint*

1. On 4 June 2021 you asked me to review the outcome of your complaint to the Financial Conduct Authority (FCA). I have carefully reviewed the documents that you and the FCA have sent to me. My preliminary report was issued on 22 July and both you and the FCA have had the opportunity to comment.

What the complaint is about

2. In April 2021 you made a request for innovation support from the FCA. Your request was rejected and you submitted a complaint. You wanted the FCA to reconsider its decision and accept your request for support.

What the regulator decided

3. The FCA did not uphold your complaint on the basis that its Innovation Team had followed the correct process in assessing your request.

Why you are unhappy with the regulator's decision

4. You have told me that you consider the FCA's complaint decision of 3 June 2021 is wrong because it is based only on part of the evidence and explanation you provided when making your complaint.

My analysis

5. The FCA's Innovation Hub is explained on its website here - <https://www.fca.org.uk/firms/project-innovate-innovation-hub/eligibility> - with links to a document setting out the eligibility criteria and how these are applied. <https://www.fca.org.uk/publication/forms/project-innovate-criteria.pdf>. The four criteria are: Genuine innovation, Consumer benefit, Background research and Need for support.

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6. You say that there is an obligation on the FCA to offer support when they can but I have not seen any evidence of this. The evidence I have seen shows that the onus is on firms to explain their models to the Innovation Team and explain how they meet the eligibility criteria. There is no requirement for the FCA to provide innovation support, nor is there a formal appeals process where a request is rejected. A reapplication can be made at a later date with additional information.
7. The FCA's file shows that the Complaints Team established that your request was reviewed in accordance with these criteria and was considered not to meet them 'primarily on the basis of consumer benefit and need for support'. I appreciate that you disagree with this and that you have sought to explain why. In response to my preliminary report you have criticised the absence of a detailed discussion of the merits of your request for support in both the FCA's and my complaint investigation. You say that this is a 'significant and unforgivable omission'. You have provided me with further information about why you consider that the Innovation Team was wrong to deny your request for support, which suggests that it did not 'follow protocol'. However, it was not the role of the Complaints Team to assess your request for support or to substitute its judgement for the Innovation Team's. Nor is this my role under the Scheme.
8. Having studied all the documents supplied to me it appears to me that the decision taken by the Innovation Team followed a reasonable and thorough process and I am therefore satisfied that the FCA's complaints response was reasonable in all the circumstances. As a result, I do not uphold your complaint.

My decision

9. I have not upheld your complaint for the reasons stated. I realise that this will be a disappointment to you but I hope you will understand how I have reached my decision.

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Complaints Commissioner

2 August 2021