

**The FCA published its response to the Commissioner's Final Report into its oversight of London Capital & Finance (LCF) on 15 March 2022. Does it mean I will receive compensation from the FCA?**

The FCA has declined to offer any compensatory ex gratia payments to LCF eligible complainants, other than for the cases where it gave incorrect information and for delays in complaint handling. The Commissioner found the FCA's reasons for this decision to be unjustified. She provided reasons why she believed this to be so and recommended the FCA review its decision.

The FCA published its response to the Commissioner's final report on 15 March 2022: [The FCA's response to the Complaints Commissioner's Report into our oversight of LCF - 15 March 2022](#). The FCA has not accepted the Commissioner's recommendation. The Commissioner's recommendations are not legally binding on the FCA. It has said that it considers that it is not appropriate to make ex gratia compensatory payments for the complaints it received about LCF, other than for the cases where it gave incorrect information and for delays in complaint handling.

This means the FCA will not offer complainants an ex gratia compensatory payment for its regulatory failings in its oversight of LCF.

Unfortunately, the Commissioner can do no more for complainants under the Scheme. Complainants who are not satisfied with the FCA's response to the Commissioner's Final Report, may wish to seek their own independent legal advice at their own cost to explore what other avenues may be available to them. The Commissioner cannot provide any further advice or information about this.

**If I am unhappy with the Commissioner's Final Report on London Capital and Finance (LCF) what are my next options?**

The role of the Complaints Commissioner, under the Scheme, is to provide an independent view on findings into complaints made to her about the Regulators.

A complainant who wishes to challenge the Commissioner's decision can apply to the High Court (at their own expense) to seek leave to apply for a Judicial Review of the Commissioner's decision. The Court itself must give leave before it considers whether or not there should be a Judicial Review of the decision. An application for leave to apply for Judicial Review must be made to the Administrative Court Office at the Royal Courts of Justice in London or at the District Registry of the High Court in either Birmingham, Cardiff, Leeds or Manchester promptly and in any event, within three months of the date of the Commissioner's Final Report. A complainant who wishes to consider doing this may wish to seek their own legal advice (which will be at their own cost) before approaching the High Court, since complex legal issues may arise.

**Why has it taken this long to finalise the Commissioner's Final Report?**

We are very sorry for the time taken to finalise the report. We understand and empathise complainants have had to wait for other various aspects too, including the Gloster Report, the Government Compensation Scheme [Compensation (London Capital & Finance plc and Fraud

Compensation Fund) Act 2021] and the Financial Services Compensation Scheme (FSCS) administering this scheme on behalf of the Government.

The length of time taken to finalise the report was dependent upon the volume, length and complexity of responses received from both complainants, their representatives and the FCA, which formed an important part of the Commissioner's ongoing investigation.

We again thank everyone for their ongoing patience and understanding.

**I am an existing complainant, but I would like to provide some new information and evidence for the Commissioner to investigate.**

The Commissioner will consider whether there is new evidence and/or information and decide whether these warrant reopening her investigation.

**Is there any obligation by the FCA to implement the Commissioner's recommendations?**

Where the Commissioner has made recommendations, the Regulator can accept or reject the Commissioner's recommendations in its response to her final report. The Commissioner's recommendations are not legally binding.

**What powers does the Complaints Commissioner have?**

Pursuant to Section 87 of the Financial Services Act 2012, the Commissioner has the power to make recommendations where the Commissioner thinks it appropriate. In such a scenario where the Commissioner has made a recommendation, the Regulator must respond to the Commissioner's report and inform the Commissioner and the complainant of the steps which it proposes to take in response to the report. For ease of reference the legislation to which this applies can be located here specifically Section 87 (5) and (6) of the Act: [Financial Services Act 2012 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2012/21/section/87)

The Commissioner also issues an annual report to the financial regulators and HM Treasury. HM Treasury also lay the report and any response to it before Parliament. In this annual report the Commissioner can highlight areas of concern such as certain recommendations and criticisms of the financial regulators. The annual report would also include the following:

- a) information concerning any general trends emerging from the investigations undertaken during the reporting period;
- b) any recommendations which the investigator considers appropriate as to the steps a regulator should take in response to such trends;
- c) a review of the effectiveness during the reporting period of the procedures (both formal and informal) of each regulator for handling and resolving complaints which have been investigated by the investigator during the reporting period;
- d) an assessment of the extent to which those procedures were accessible and fair, including where appropriate an assessment for different categories of complainant; and
- e) any recommendations about how those procedures, or the way in which they are operated, could be improved.

Where the Commissioner has made recommendations, the Regulator can accept or reject the Commissioner's recommendations in its response.

### **I am an eligible complainant who has not received an email notifying me that the Final Report has been published, why is this?**

In our last website update on 7 February 2022, we announced that once the Commissioner's Final Report was ready, it would be issued and published on our website. We informed everyone that eligible complainants would be sent an individual email, making them aware the Final Report had been published, with a URL link in their email, directing them to the Commissioner's Final Report. All eligible complainants have now been notified by email that the Final Report has been issued with a link to the publication on our website.

Please check your spam folders if you have not received the email notifying that the Final Report has been published. Please contact us if you have not received this email and we will look into this for you.

### **I am a new complainant and I would like to raise a complaint about the FCA's oversight of LCF - how can I do this?**

The FCA announced on 7 January 2022 that individuals will continue to be able to make complaints to the FCA about its handling of LFC until 17 March 2022. This announcement can be accessed here:

[FCA sets out broad approach to assessing LCF Complaints | FCA](#)

If you are an LCF investor and have not yet submitted a complaint about the FCA's oversight of LCF, you will need to complain to the FCA directly first and have until 17 March 2022 to do so. You can find out how to do this here:

<https://www.fca.org.uk/about/complain-about-regulators>

After you have received a decision from the FCA, if you remain dissatisfied with the FCA's response, you can refer your complaint to the Commissioner who will be able to look into your complaint. If your complaint is referred to the Commissioner within three months of the date of FCA's decision letter, the Commissioner will consider it, although it may not lead to a different report from the current one.

### **I still haven't received my compensation from the Government Compensation Scheme**

Regarding the Government Compensation Scheme, the Financial Services Compensation Scheme (FSCS) are the entity who are administering the Government's Scheme. We are sorry we cannot assist you with this as we are not the body who are responsible for the Government Compensation Scheme and we have any involvement in this. You may wish to contact HM Treasury who formed the Government compensation Scheme and/or the FSCS regarding any queries or complaints you have about this here:

[https://www.fscs.org.uk/contact-us/  
public.enquiries@hmtreasury.gov.uk](https://www.fscs.org.uk/contact-us/public.enquiries@hmtreasury.gov.uk)

Separately more details about the scheme including a Q & A section can be accessed here:

<https://www.gov.uk/government/publications/london-capital-finance-lcf-compensation-scheme>

**I still have questions you have not answered above.**

We anticipate being very busy after the publication of the FCA's response to the Commissioner's Final Report. Our preferred method of communication is by email. You may also leave a message with our outsourced Reception bureau. We will return calls and emails within 72 hours.