

25 March 2026

Final report by the Complaints Commissioner

1. On 20 October 2025, you submitted a complaint to my office about the FCA.
2. **Element One** - You were an investor in Firm X, a peer-to-peer (“P2P”) lending platform which has now entered into administration. You complained to the FCA about its supervision of the firm, however, the FCA has deferred your complaint because of ongoing regulatory action. You understand this action to be the administration of the firm, and you do not believe it is reasonable for the FCA to postpone consideration of your complaint until the administration process has been completed.
3. **Outcome: Not Upheld.** Having reviewed the matter, I am satisfied that the deferral was not due to the firm’s administration. The administration is a separate process and is not the basis on which your complaint was deferred. Rather, the FCA deferred your complaint due to other ongoing regulatory action. Your complaint was that it was unreasonable for the FCA to defer your complaint on the basis that the firm had entered administration. I am satisfied that the deferral was not made for that reason. In those circumstances, the complaint as framed cannot succeed, and I do not uphold it.
4. I have separately considered whether it was reasonable for the FCA to defer your complaint due to the regulatory action it is taking. I am satisfied that, given the nature of the ongoing regulatory action, it was appropriate to do so.
5. **Element Two:** You raised a concern with me about the length of time the FCA had your complaint prior to the deferral. You consider that 21 months should have been sufficient for the work to be completed.
6. **Outcome: Not Investigated.** The FCA has acknowledged to me that there had already been a delay prior to the deferral that it will need to consider address when it restarts its investigation after the deferral ends. Once the FCA

concludes its investigation and issues a decision letter on your complaint, if you are not satisfied with the outcome, you may refer it to me for an independent review, at which point I will also review the matter of delay.

7. **Element Three:** In your complaint to me, you also allege that the FCA misled you. You say that, in updates provided before the decision to defer your complaint, the FCA stated that your complaint was progressing. However, you understand from the FCA's deferral letter dated 22 September 2025 that no work had been carried out during the 21 months between your submitting the complaint and the decision to defer it.
8. **Outcome: Not upheld.** I accept the deferral letter's wording could have caused that impression that no work had been carried out. However, based on the information available, the FCA has said that it had undertaken some work on the investigation before the deferral. I am satisfied that the letter was intended to communicate that the FCA would not be progressing its investigation further at that time, rather than that no work had been undertaken previously. Therefore, I do not uphold this element of your complaint.

Background

9. You made a complaint to the FCA about Firm X in December 2023.
10. Over the following 21 months you received emails from the FCA stating that its complaint investigation of your complaint was progressing.
11. On 22 September 2025, the FCA wrote to you explaining that it had decided to defer the investigation of your complaint.
12. The FCA cited Paragraphs 2.12 and 2.13 of the Complaints Scheme, which allow deferral where there is ongoing regulatory action, unless it would be unreasonable for you to wait or the ongoing action would not be prejudiced.
13. The FCA stated it had considered these provisions and concluded that waiting was not unreasonable.
14. It advised that it could not confirm the nature of the ongoing regulatory action or whether it involves the firms or individuals you mentioned.

15. The FCA said it would review the deferral every six months, with the next update expected in March 2026, and informed you that, if dissatisfied, you could refer the matter to the Complaints Commissioner, which you have now done.

Analysis

Element One

16. The FCA is correct that under Paragraph 2.12 of the Complaints Scheme, investigations of complaints can be deferred where there is continuing regulatory action that might be undermined by considering the complaint at the same time.
17. Following receipt of your complaint, I wrote to the FCA to obtain further details about the reasons for recently deferring yours and other complaints about this matter including yours. The FCA has briefed me on the regulatory action currently being undertaken.
18. Like the FCA, I am not able to confirm the nature of the ongoing regulatory action to you. The confidentiality restrictions under Section 348 (s.348) of the Financial Services & Markets Act 2000 (FSMA) classes some information the FCA holds as confidential and restricts how that information is dealt with. In addition to this, any information that is not restricted by s.348 FSMA may also be restricted due to the FCA's policy on sharing information about regulated firms and individuals, who also have legal protections.
19. As part of the Complaints Scheme, I have access to all the FCA's complaints papers, including confidential material. This enables me, as an independent person, to assess whether the FCA has acted reasonably, even if I cannot share all details with you.
20. Based on the information provided, I have considered the FCA's reasoning and I agree with the FCA's decision to defer your complaint. I think the deferral is reasonable.
21. Whilst I am not able to provide you with details of the regulatory action, the FCA is not waiting for the administration of the Firm to conclude before investigating the complaint.

22. I note that the FCA has committed to review the deferral every six months and keep you updated.
23. The FCA have advised me that they will update my office when they are able to un-defer these complaints. In the meantime I am asking the FCA to copy me in on the regular updates.
24. In addition, I will raise with the FCA the broader issue of how deferrals are applied more generally, including the duration for which they are used, to ensure that these arrangements remain appropriate and proportionate. This does not, however, have any bearing on your complaint.
25. I appreciate that this continuing delay is likely to be frustrating for you, but I believe it is the best way to ensure your complaint is thoroughly considered at the most appropriate time.

Element Two

26. Whilst I agreed with the FCA's decision to defer the investigation of your complaint at the time it was made, it is clear that your complaint had already been subject to delay before the deferral took place.
27. You explained that, during the period between submitting your complaint and the eventual deferral, the FCA issued regular updates stating that the investigation was still progressing. I have reviewed these updates, and in each one the FCA confirmed in writing that work on your complaint was ongoing.
28. I understand why you feel frustrated that, after being told for 21 months that your complaint was progressing, the matter was then deferred without any indication of how long the deferral would last. You were also given no explanation of how far the investigation had progressed during those 21 months, nor how much additional time might be required once the deferral is lifted.
29. I raised enquiries with the FCA about the delay and the work that was undertaken during this period. The FCA has acknowledged that there had already been a delay prior to the deferral that it will need to consider when it restarts its investigation after the deferral ends. Once the FCA concludes its investigation and issues a decision letter on your complaint, if you are not

satisfied with the outcome, you may refer it to me for an independent review, at which point I will also review the matter of delay.

Element Three

30. The deferral letter of September 2025 states: “we have decided to defer the investigation of your complaint for the time being.” You may have understood this wording to mean that no investigation had taken place during the 21 months since you submitted your complaint.
31. I accept that the wording of the deferral letter could reasonably give that impression. In particular, the reference to deferring “the investigation” may suggest that an investigation had not yet begun.
32. However, I am satisfied that the letter was intended to communicate that the FCA would not be progressing its investigation further at that time, rather than that no work had been undertaken previously.
33. That said, the FCA has acknowledged there were delays in progressing the complaint. While those delays are concerning, they do not alter the fact that the investigation was in progress.

The Complaints Commissioner

Complaints Commissioner

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