

**The FCA's response to the
Complaints Commissioner's Report**

FCA00504

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The FCA has considered the Final Report of the Complaints Commissioner on complaint FCA00504.

We note the Commissioner's decision not to uphold any part of the complaint and would comment on the Commissioner's recommendations as follows.

We believe that the organisation's approach to reviews relating to potential regulatory failure, including where the statutory test is not met, is sufficiently clear.

We note that the complainant believes the reviewer is capable, and that the Commissioner refers to him being suitably qualified with highly relevant legal experience. We consider that this supports our view that the appointment process for independent reviewers is appropriate.

We note that enforcement proceedings in the Connaught matter have successfully returned over £58 million to investors in the Fund, on top of the £22 million recovered from the liquidation. We see no reason at this stage to commit to a review of the enforcement process beyond that provided for by our normal processes to reflect on the lessons learned from every enforcement investigation. We will continue to keep the Commissioner updated on the continuing Enforcement action.

We acknowledge the concerns raised by the Commissioner regarding the delay to the consultation on the Complaints Scheme, and are considering carefully how we can give greater clarity on the FCA's approach to payments of ex-gratia compensation.

5 May 2020