
NOTICE OF DECISION

To: **Bangor Tyre Service Limited**
FRN: **951238**
Dated: **26 June 2023**

ACTION

1. For the reasons given below, the Authority has decided to cancel Bangor Tyre Service Limited's Part 4A permission. The cancellation takes effect on the date of this Notice of Decision.
2. The effect of the cancellation is that Bangor Tyre Service Limited no longer has permission to conduct any regulated activities.

DEFINITIONS

3. The definitions below are used in this Notice of Decision (and in the Annex):

"the Act" means the Financial Services and Markets Act 2000;

"the Authority" means the Financial Conduct Authority;

"BTSL" means Bangor Tyre Service Limited;

"BTSL's Part 4A permission" means the Part 4A permission granted by the Authority to BTSL;

"EG" means the Enforcement Guide;

"the Further Notice" means the further notice issued by the Authority to BTSL dated 31 May 2023;"

"the Handbook" means the Authority's Handbook of rules and guidance;

"the Notice" means the notice issued by the Authority to BTSL dated 18 April 2023;

“Part 4A permission” means permission to conduct regulated activities, granted by the Authority under Part 4A of the Act;

“SUP” means the Supervision Manual, part of the Handbook; and

“the Tribunal” means the Upper Tribunal (Tax and Chancery Chamber).

FACTS AND MATTERS

4. BTSL was authorised by the Authority on 1 June 2021 and given a Part 4A permission to conduct the following regulated activities:
 - Agreeing to carry on a regulated activity;
 - Credit Broking;
 - Debt Adjusting; and
 - Debt-counselling
5. BTSL submitted regulatory returns to the Authority for the periods 01 January 2021 to 31 December 2021 which show that BTSL has not generated any income from the regulated activities it is permitted to carry on. In addition, there are no other matters that suggest BTSL is carrying on regulated activities.
6. On 18 April 2023 the Authority gave BTSL the Notice which stated that:
 - (a) it appears to the Authority that BTSL is carrying on no regulated activity to which its Part 4A permission relates; and
 - (b) the Authority may take action to cancel BTSL’s Part 4A permission unless it responds to the Notice in the manner specified in the directions to the Notice.
7. BTSL failed to respond in the manner specified in the directions to the Notice.
8. As a result of the matters specified in paragraph 3 above, on 31 May 2023, the Authority gave BTSL the Further Notice which stated that:
 - a) the Authority considered that BTSL is carrying on no regulated activity to which its Part 4A permission relates; and
 - b) the Authority proposes to cancel BTSL’s Part 4A permission on 26 June 2023 unless BTSL takes the steps specified in the directions to the Further Notice.
9. BTSL failed to take the steps specified in the Further Notice.

CANCELLATION OF PART 4A PERMISSION

10. From the facts and matters described above, the Authority considers that BTSL is carrying on no regulated activities to which its Part 4A permission relates. The Authority has therefore decided to cancel BTSL’s Part 4A permission. The cancellation of BTSL’s Part 4A permission takes effect on the date of this Notice of Decision.

11. The statutory and regulatory provisions relevant to this Notice of Decision are set out in the Annexes.

PROCEDURAL MATTERS

12. This Notice of Decision is given to BTSL under paragraph 3 of Schedule 6A to the Act (variation or cancellation of Part 4A permission on initiative of FCA: additional power).

The following paragraphs are important.

The Tribunal

13. BTSL does not have a right to refer the decision to give this Notice of Decision to the Tribunal.

Publicity

14. The Authority intends to publish such information about the matter to which this Notice of Decision relates as the Authority considers appropriate. The information may be published in such manner as the Authority considers appropriate.

ANNEX ON CANCELLATION OF PART 4A PERMISSION ON INITIATIVE OF FCA: ADDITIONAL POWER

RELEVANT STATUTORY PROVISIONS

1. The Authority's operational objectives established in section 1B of the Act include protecting and enhancing the integrity of the UK financial system and securing an appropriate degree of protection for consumers.
2. The Authority is authorised by paragraphs 1(1) and (2) of Schedule 6A to the Act to cancel an Authority-authorized person's Part 4A permission, if it appears to the Authority that the Authority-authorized person is carrying on no regulated activity to which the permission relates.
3. The Authority must exercise its power to cancel an Authority-authorized person's Part 4A permission using its additional own initiative power in accordance with the procedure set out in paragraph 2 of Schedule 6A to the Act.

RELEVANT HANDBOOK PROVISIONS

4. In exercising its power to cancel an Authority-authorized person's Part 4A permission, the Authority must have regard to the regulatory requirements and guidance published in the Handbook and in regulatory guides, such as EG. The main considerations relevant to the action stated in this Notice of Decision are set out below.

Guidance concerning the use of the Authority's additional power to cancel an authorised firm's Part 4A permission on its own initiative

5. Guidance on the use of the Authority's power to cancel an Authority-authorized person's Part 4A permissions on its own initiative under Schedule 6A to the Act is set out in SUP and EG.
6. EG 8.5.2A states that the Authority may cancel the Part 4A permission of a firm that is an Authority-authorized person, under Schedule 6A of the Act, if:

- (1) it appears to the Authority that the firm is carrying on no regulated activity to which the permission relates; and
 - (2) the firm has failed to respond as directed by the Authority to notices served by the Authority to the firm under paragraph 2 of Schedule 6A.
7. SUP sets out further guidance on the Authority's power under Schedule 6A of the Act. In particular, SUP 7.2.2AG(1) states that the Authority may decide to cancel an Authority-authorized person's Part 4A permission using its powers under Schedule 6A of the Act:
 - (1) if that person appears to the Authority not to be carrying on any regulated activity to which the permission relates; and
 - (2) if that person, when served by the Authority with two notices under paragraph 2 of Schedule 6A of the Act, has not:
 - (a) responded in the manner directed, in those notices or otherwise, by the Authority; nor
 - (b) taken other steps as may also be directed by the Authority;

the second of which notices will specify the effective date of the proposed cancellation.
8. SUP 7.2.2CG states that, apart from the circumstances described in SUP 7.2.2AG(1), the Authority may also form the view, under Schedule 6A of the Act, that a firm is no longer conducting any regulated activity to which its permission relates in light of, without restriction:
 - (1) one or more reports, provided to the Authority by the firm, under SUP 16 or otherwise, indicating that it is no longer doing so;
9. SUP 7.2.2DG states that:
 - (1) the Authority's additional own-initiative variation power under Schedule 6A to the Act (which includes the power to cancel the Part 4A permission of an Authority-authorized firm under Schedule 6A of the Act and references to "additional own-initiative variation power in the remainder of this Notice of Decision should be read as such) has, unlike the Authority's own-initiative variation power under section 55J of the Act, a single basis: that it appears to the Authority that the relevant Authority-authorized person is not carrying on any regulated activity to which its Part 4A permission relates.
 - (2) if the Authority uses its additional own-initiative variation power, it is therefore more likely to cancel the relevant firm's Part 4A permission, rather than merely varying it by removing or amending the description of one or more such activities or by imposing one or more limitations.
 - (3) the Authority will, however, consider all relevant facts and circumstances, including, without restriction:
 - (a) the relevant firm's responses, if any, to the notices given by the Authority under paragraph 2 of Schedule 6A; and

(b) if applicable, the factors described in SUP 6.4.22G, including whether there are any matters relating to the firm requiring investigation,

before deciding whether to use its additional own-initiative variation power and whether to use it to cancel or vary.

10. SUP 7.2.7G(1) states that a firm has no right of referral to the Tribunal in respect of the Authority exercising its additional own-initiative variation power, under Schedule 6A to the Act, on the Authority-authorized firm's Part 4A permission.

FEES/DISP/COMP

1. The Fees Manual ("FEES"), Dispute Resolution: Complaints sourcebook ("DISP") and Compensation sourcebook ("COMP"), chapters of the Handbook, contain rules making provision for and guidance as to the effect of annulment.
2. In summary, the effect of annulment is that any fees and levies that arose while the authorised person's Part 4A permission was cancelled become payable (unless the authorised person has previously advised the Authority that it is exempt). Where the deadline for obligations relating to the provision of information or payment of the various fees and levies has passed before annulment, the relevant rules and guidance within FEES delay those deadlines.
3. The fees and levies the Authority collects and the relevant rules and guidance within FEES are: Authority fees (FEES 4); Financial Ombudsman Service (FEES 5); Financial Services and Compensation Scheme (FEES 6); Single Finance Guidance Body (SFGB – FEES 7A); Devolved Debt Advice Levy (FEES 7B); Temporary Permissions Regime and Financial Service Contracts Regime – SFGB Levy (FEES 7C); Temporary Permissions – Devolved Authorities Levy (FEES 7D); and Illegal Money Laundering Levy (FEES 13 and 13A).

DISP

4. Where there is a complaint about an authorised person's activities during the period when its Part 4A permission was cancelled, the effect of an annulment is that the Ombudsman Service may be able to consider the complaint (further to DISP 2.3.6G).
5. Where a deadline for a complaints report that is to be submitted to the Authority in accordance with DISP 1.10.5R occurs during the period of cancellation, the effect of an annulment is that the authorised person must submit such report to the Authority within 30 business days of the date on which the annulment takes effect (further to DISP 1.10.5AR).

COMP

6. The effect of an annulment is that an authorised person will be treated as a participant firm for the Financial Services and Compensation Scheme ("FSCS") purposes for claims that may arise in the period between cancellation and annulment (further to COMP 6.2.5G).

Right to refer matter to the Tribunal

7. Under paragraph 7 of Schedule 6A to the Act, if an applicant submits a completed application to annul by the date and in the form specified and the Authority determines that application in accordance with paragraph 5(2) of Schedule 6A to the Act, by either deciding to grant the annulment (with or without such conditions as the Authority considers appropriate) or by refusing to grant the annulment, the applicant (and the Authority) will have the right to refer the matter to the Tribunal.
8. In determining a reference to the Tribunal, the Tribunal may give such directions, and may make such provision, as it considers reasonable for placing the person and other persons in the same position (as nearly as may be) as if the permission had not been cancelled.