
FINAL NOTICE

To: **Luke Williams**

**Individual
Number:** **8847555**

Dated: **4 September 2024**

ACTION

1. For the reasons set out in this Final Notice, the Authority hereby makes an order, pursuant to section 56 of the Act, prohibiting Mr Williams from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm.
2. The Authority gave Mr Williams the Decision Notice, which notified Mr Williams of the Authority's decision to take the action specified above.
3. Mr Williams has not referred the matter to the Tribunal within 28 days of the date on which the Decision Notice was given to him.
4. Accordingly, the Authority hereby makes the prohibition order set out in paragraph 1 above against Mr Williams. The prohibition order takes effect from the date of this Final Notice.

SUMMARY OF REASONS

5. Mr Williams, whilst employed by a bank in a position of trust dealing with customer telephone calls, was involved in a criminal conspiracy to commit fraud by false representation which took place between 1 January 2017 and 30 October 2017.
6. On 10 February 2020, at Southwark Crown Court, Mr Williams pleaded guilty to one count of conspiracy to commit fraud by false representation. The conspiracy involved no fewer than 122 separate victims and losses to the bank (Mr Williams' employer) totalling £1,202,161.
7. On 17 May 2021, Mr Williams was sentenced to 44 months' imprisonment and ordered to forfeit phones connected with the conspiracy. On 27 May 2022, he was also made subject to a £1 confiscation order and further ordered to pay a victim surcharge of £170.

8. On the basis of the facts and matters set out below, it appears to the Authority that Mr Williams is not a fit and proper person to perform any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm. His conviction demonstrates a clear and serious lack of honesty and integrity such that he is not fit and proper to perform regulated activities. In reaching this conclusion, the Authority has had regard to all relevant circumstances, including the relevance and materiality of the offences, the severity of the risk posed by Mr Williams to consumers and financial institutions, and to confidence in the market generally. The Authority considers that it is appropriate to impose the prohibition order described in paragraph 1 to advance its consumer protection and integrity objectives (sections 1C and 1D of the Act, respectively).

DEFINITIONS

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

“the Act” means the Financial Services and Markets Act 2000;

“the Authority” means the Financial Conduct Authority;

“the Decision Notice” means the notice of decision given to Mr Williams dated 9 July 2024;

“EG” means the Enforcement Guide;

“FIT” means the Authority’s ‘Fit and Proper Test for Employees and Senior Personnel’, part of the Handbook;

“the Handbook” means the Authority’s Handbook of rules and guidance;

“the RDC” means the Regulatory Decisions Committee of the Authority (see further under Procedural Matters below);

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

“Mr Williams” means Luke Williams.

FACTS AND MATTERS

10. Whilst employed in a position of trust by the bank, Mr Williams participated in a criminal conspiracy to commit fraud by false representation which took place between 1 January 2017 and 30 October 2017.
11. The criminal conspiracy involved no fewer than 122 victims, who were customers of the bank.
12. The potential value of losses from the offending totalled £2,352,666. However, as not all attempts to defraud customer accounts were successful, the actual loss was £1,509,936. As the bank was then able to recover £307,774 before the monies were dissipated, the total final loss resulting from the offending was £1,202,161.
13. On 19 October 2017, Mr Williams was arrested at his home address for his part in the criminal conspiracy.
14. On 10 February 2020, Mr Williams was convicted, upon his own confession, of one count of conspiracy to commit fraud by false representation between 1 August 2017 and 30 October 2017.

15. On 17 May 2021, Mr Williams was sentenced to 44 months imprisonment and on 27 May 2022 was ordered to pay a victim surcharge of £170. In addition, he was ordered to forfeit phones connected with the conspiracy and made subject to a £1 confiscation order.
16. Upon sentencing the Judge made the following observations;
 - i. Mr Williams was employed by a bank in a position of trust at the material time of the conspiracy;
 - ii. Between 1 January 2017 and 12 October 2017 money was stolen from 122 accounts of the bank's customers, each of whom had telephoned a 24- hour online banking service. Each call was answered by Mr Williams, allowing him to identify the relevant security information which he provided to his co-conspirators. This enabled his co-conspirators, to telephone the bank, impersonate those customers and arrange unauthorised payments from those accounts to numerous third-party bank accounts.
 - iii. Regarding the role played by Mr Williams the Judge stated, "Plainly your role, Luke Williams, was a leading one and you have to take responsibility for the overall loss."

LACK OF FITNESS AND PROPRIETY

17. The statutory and regulatory provisions relevant to this Final Notice are set out in the Annex.
18. FIT 1.3.1G states that the Authority will have regard to a number of factors when assessing an individual's fitness and propriety.
19. FIT 1.3.1BG(1) states that among the most important considerations when assessing the fitness and propriety of a person is that person's honesty, integrity and reputation.
20. The facts and serious nature of Mr Williams' offences show he lacks honesty and integrity. In particular;
 - i. Mr Williams has been convicted of one count of conspiracy to commit fraud, an offence of dishonesty for which a 44 month term of imprisonment was deemed the appropriate sentence.
 - ii. Mr Williams abused a position of trust within the bank and played a leading role in that conspiracy which exploited the bank, that was his employer, and customers of the bank.

Prohibition

21. EG 9.1.1 provides that the power to prohibit an individual will be exercised by the Authority to achieve its statutory objectives, which include both securing an appropriate degree of protection for consumers and protecting and enhancing the integrity of the UK financial system.
22. The facts and matters above demonstrate that Mr Williams is not fit and proper to perform functions in relation to regulated activity. Mr Williams abused a position of trust within a bank to exploit consumers, and the bank itself, and would therefore present a material risk to consumers if employed in a regulated function within financial services.

23. The Authority therefore considers it appropriate to prohibit Mr Williams performing any function in relation to any regulated activity carried on by an authorised person, exempt person or exempt professional firm.

PROCEDURAL MATTERS

23. This Final Notice is given to Mr Williams in accordance with section 390(1) of the Act.

Decision Maker

24. The decision which gave rise to the obligation to give this Final Notice was made by the RDC. The RDC is a committee of the Authority which takes certain decisions on behalf of the Authority. The members of the RDC are separate to the Authority staff involved in conducting investigations and recommending action against firms and individuals. Further information about the RDC can be found on the Authority's website:

<https://www.fca.org.uk/about/committees/regulatory-decisions-committee-rdc>

Publicity

25. Section 391(4), 391(6) and 391(7) of the Act apply to the publication of information about the matter to which this Final Notice relates. Under those provisions, the Authority must publish such information about which this Final Notice relates as the Authority considers appropriate.
26. The information may be published in such manner as the Authority considers appropriate. However, the Authority may not publish information if such publication would, in the opinion of the Authority, be unfair to Mr Williams or prejudicial to the interest of consumers or detrimental to the stability of the UK financial system.
27. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

Authority Contact

28. For more information concerning this matter generally, Mr Williams should contact Stuart Doyle at the Authority (direct line: 020 7066 0245).

Jeremy Parkinson
Enforcement and Market Oversight Division

ANNEX

RELEVANT STATUTORY PROVISIONS

1. The Authority's operational objectives include securing an appropriate degree of protection for consumers (section 1C of the Act) and protecting and enhancing the integrity of the UK financial system (section 1D of the Act).
2. Section 56(1) of the Act provides:

"The [Authority] may make a prohibition order if it appears to it that an individual is not a fit and proper person to perform functions in relation to a regulated activity carried on by:

 - (a) an authorised person,
 - (b) a person who is an exempt person in relation to that activity, or
 - (c) a person to whom, as a result of Part 20, the general prohibition does not apply in relation to that activity."

RELEVANT REGULATORY PROVISIONS

Prohibiting an individual who is not fit and proper

3. The Authority's policy in relation to exercising its power to issue a prohibition order is set out in EG.
4. EG 9.1 explains the purpose of prohibition orders in relation to the Authority's regulatory objectives.
5. EG 9.2 sets out the Authority's general policy on making prohibition orders. In particular—
 - (a) EG 9.2.1 states that the Authority will consider all relevant circumstances, including whether enforcement action has been taken against the individual by other enforcement agencies, in deciding whether to make a prohibition order;
 - (b) EG 9.2.2 states that the Authority has the power to make a range of prohibition orders depending on the circumstances of each case; and
 - (c) EG 9.2.3 states that the scope of a prohibition order will depend on, among other things, the reasons why the individual is not fit and proper and the severity of risk he poses to consumers or the market generally.
6. EG 9.5.1 states that where the Authority is considering whether to make a prohibition order against someone who is not an approved person, the Authority will consider the severity of the risk posed by the individual and may prohibit him where it considers that it is appropriate to achieve one or more of the Authority's statutory objectives.
7. EG 9.5.2 provides that, when considering whether to exercise its power to make a prohibition order against someone who is not an approved person, the Authority will consider all the relevant circumstances of the case. These may include, but are not limited to, the factors set out in EG 9.3.2. Those factors include: whether the individual is fit and proper to perform functions in relation to regulated activities (noting the criteria set out in FIT 2.1, 2.2, and 2.3); the relevance and materiality

of any matters indicating unfitness; the length of time since the occurrence of any matters indicating unfitness; and the severity of the risk which the individual poses to consumers and to confidence in the financial system.

Fit and Proper test for Employees

8. The Authority has issued guidance on the fitness and propriety of individuals in FIT.
9. FIT 1.3.1BG(1) states that the most important considerations when assessing the fitness and propriety of a person to perform a controlled function include that person's honesty, integrity and reputation.
10. FIT 2.1.1G states that in determining a person's honesty, integrity and reputation, the Authority will have regard to all relevant matters including, but not limited to, those set out in FIT 2.1.3G. It notes, amongst other things and by way of example, that:
"... conviction for a criminal offence will not automatically mean an application will be rejected. The [Authority] treats each candidate's application on a case-by-case basis, taking into account the seriousness of, and circumstances surrounding, the offence, the explanation offered by the convicted person, the relevance of the offence to the proposed role, the passage of time since the offence was committed and evidence of the individual's rehabilitation."
11. FIT 2.1.3G(1) states that the matters referred to in FIT 2.1.1G include, but are not limited to, whether a person has been convicted of any criminal offence, noting that particular consideration will be given to offences including dishonesty, fraud and financial crime (amongst other things).