

Mr Howard Roland Duckett ("Mr Duckett") has referred this Decision Notice to the Upper Tribunal ("the Tribunal") where Mr Duckett and the FCA will each present their cases. The Tribunal will determine what, if any, is the appropriate action for the FCA to take, and will remit the matter to the FCA with such directions as the Tribunal considers appropriate for giving effect to its determination. The Tribunal's decision will be made public on its website. Accordingly, the proposed action outlined in this Decision Notice will have no effect pending the determination of the case by the Tribunal.



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DECISION NOTICE

To: Howard Roland Duckett

IRN: HRD01012

Firm: Beauforce Corporation Limited (Interested Party)

FRN: 775878

Dated: 2 May 2025

ACTION

1. For the reasons given in this Decision Notice, the Authority has decided to:
 - (a) make an order, pursuant to section 56 of the Financial Services and Markets Act 2000 (the Act), prohibiting Mr Duckett from performing any function in relation to any regulated activity carried on by an authorised person, exempt person or exempt professional firm; and
 - (b) withdraw the approval given to Mr Duckett to perform the SMF3 (Executive Director) and SMF16 (Compliance Oversight) senior management functions at Beauforce Corporation Limited (Beauforce), pursuant to section 63 of the Act.

SUMMARY OF REASONS

2. Since 20 December 2017, Mr Duckett has been an approved person at Beauforce. Mr Duckett is currently approved to perform the SMF3 (Executive Director) and

SMF16 (Compliance Oversight) senior management functions at Beauforce.

3. On 13 November 2020, pursuant to an order made by the Court, Mr Duckett was disqualified from being a company director for a period of ten years. Mr Duckett was disqualified because he failed, whilst a de facto director of an unrelated company, to ensure that the company maintained adequate books and records. Mr Duckett's disqualification took effect on 4 December 2020.
4. In the Judgment, the Court found that Mr Duckett had repeatedly lied on oath before the Court during the disqualification proceedings and had attempted to rely on fabricated evidence in his defence, in an attempt to distance himself from the company and to deny that he was a director of the company.
5. Furthermore, Mr Duckett failed to disclose to the Authority that he had been disqualified from acting as a director, despite being an approved person at the time, as required pursuant to COCON 2.2.4R.
6. On the basis of the facts and matters set out in this Decision Notice, it appears to the Authority that Mr Duckett is not a fit and proper person to perform any function in relation to any regulated activity carried on by an authorised person, exempt person or exempt professional firm. Mr Duckett's conduct during the disqualification proceedings, which included providing answers which the Court considered to be untrue and/or fabricated, demonstrates a clear and serious lack of honesty, integrity and reputation such that he is not fit and proper to perform regulated activities.
7. In concluding that it is appropriate to impose the prohibition order in the terms set out at paragraph 1(a) and to withdraw Mr Duckett's approval, the Authority has had regard to all relevant circumstances, including his failure to notify the Authority of his disqualification and the severity of the risk posed by Mr Duckett to consumers and to confidence in the UK financial system. The Authority considers that it is appropriate to take this action to advance its consumer protection and integrity objectives (sections 1C and 1D of the Act, respectively).

DEFINITIONS

8. 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;
 - "Beauforce" means Beauforce Corporation Limited;
 - "the Court" means the High Court of Justice, Business and Property Courts in Wales;
 - "the Disqualification Order" means the order made by the Court on 13 November 2020, disqualifying Mr Duckett from acting as a director;
 - "EG" means the Enforcement Guide;
 - "FIT" means the Authority's 'Fit and Proper Test for Employees and Senior Personnel', forming part of the Handbook;
 - "the Handbook" means the Authority's Handbook of rules and guidance;

“Individual A” means the individual referred to in the Judgment who the Court found to have been fabricated by Mr Duckett;

“the Judgment” means the judgment dated 13 November 2020 handed down by the Court in the case of The Official Receiver v Howard Duckett;

“Mr Duckett” means Howard Roland Duckett;

“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

“the Warning Notice” means the Warning Notice issued by the Authority to Mr Duckett dated 13 November 2024.

RELEVANT STATUTORY AND REGULATORY PROVISIONS

9. The statutory and regulatory provisions relevant to this Decision Notice are set out in Annex A.

FACTS AND MATTERS

Beauforce Corporation Limited and Mr Duckett

10. Since 20 December 2017, Mr Duckett has been an approved person at Beauforce. Specifically, from 20 December 2017 to 8 December 2019, Mr Duckett was approved by the Authority to perform the CF1 (Director) and CF10 (Compliance Oversight) controlled functions at Beauforce. Since 9 December 2019, Mr Duckett has been approved to perform the SMF3 (Executive Director) and SMF16 (Compliance Oversight) senior management functions at Beauforce.

The Disqualification Proceedings

11. On 13 November 2020, the Court issued the Disqualification Order against Mr Duckett, under which he was disqualified from being a director of a company, or in any way, whether directly or indirectly, from being concerned or taking part in the management of a company for a period of ten years. The disqualification took effect on 4 December 2020.
12. The Disqualification Order related to Mr Duckett’s conduct whilst acting as a de facto director of a company, in that he failed to ensure that the company maintained and preserved adequate accounting records. As a result, the Court found that he was unfit to be concerned in the management of a company.
13. On the same day, the Court handed down the Judgment in the disqualification proceedings. In the Judgment, the Court noted there was a strong suspicion that the company’s activities were in the furtherance of VAT fraud and Mr Duckett’s conduct had the effect of hindering, amongst other things, the investigation of substantive matters of fraud and misfeasance.
14. In addition, the Court found that Mr Duckett had given false evidence and egregiously lied on oath in the disqualification proceedings, in an attempt to distance himself from the company and to deny he was a director. The false evidence and lies under oath centred around the existence and purported actions of Individual A, whom Mr Duckett repeatedly alleged was running the business of the company. This claim was rejected by the Court, who found that Individual A

was fictitious, and that Mr Duckett was in fact the person with power and influence over the company without any official standing and a de facto director.

15. In particular, the Court found that Mr Duckett had:
 - (a) lied when he asserted that all emails from the company's email account were sent by Individual A. These included emails sent to HMRC on 21 November 2016 bearing the signatures "*Howard*" and "*H Duckett*", which Mr Duckett claimed were sent by Individual A impersonating him. However, the Court found these emails and others sent from the company's email account had been sent by Mr Duckett. The Court also found some of Mr Duckett's assertions regarding the sender of emails to be false, remarking that Mr Duckett's evidence, "*strains credulity too far*";
 - (b) attempted to rely on six fabricated invoices recording payments made to him by the company, which Mr Duckett claimed were payments for consultancy and administration services which he had provided. However, the Court found that all six invoices were "*fabrications*", noting that at least one invoice had been created after the fact in an attempt by Mr Duckett to justify receipt of monies from a company he was supposedly not involved with;
 - (c) given false evidence by providing an "*improvised concoction*" to explain one of the fabricated invoices; and
 - (d) given false evidence when trying to justify certain of his actions as having been done at the behest of another director of the Company.

Non-disclosure of the disqualification

16. Following his disqualification from acting as a director, which took effect whilst Mr Duckett was approved by the Authority as a senior manager at Beauforce, Mr Duckett failed to disclose the fact he had been disqualified and the circumstances surrounding this to the Authority.

LACK OF FITNESS AND PROPRIETY

17. FIT 1.3.1G states that the Authority will have regard to a number of factors when assessing an individual's fitness and propriety. FIT 1.3.1BG states that among the most important factors when assessing the fitness and propriety of a person is that individual's honesty, integrity and reputation.
18. The facts and serious nature of Mr Duckett's misconduct, in particular the fact that he repeatedly lied on oath and sought to rely on fabricated evidence in the disqualification proceedings in order to distance himself from a company which was strongly suspected to have engaged in VAT fraud, shows he lacks honesty, integrity and reputation.
19. For the reasons set out above, the Authority considers that Mr Duckett is not a fit and proper person to perform regulated activities.

Prohibition and Withdrawal of Approval

20. EG 9.1.1 provides that the power under section 56 of the Act to prohibit individuals who are not fit and proper from carrying out functions in relation to regulated activities helps the Authority to work towards achieving 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.

21. Taking into account the length of time Mr Duckett has been disqualified from being a director and his failure to inform the Authority that he had been disqualified from acting as a director despite him being an approved person, and his lack of fitness and propriety due to his lack of honesty, integrity and reputation arising from the findings in the Judgment, the Authority considers it appropriate to prohibit Mr Duckett from performing any function in relation to any regulated activity carried on by an authorised person, exempt person or exempt professional.
22. EG 9.1.2 provides that the Authority's effective use of the power to withdraw approval from an approved person will also help ensure high standards of regulatory conduct by preventing an approved person from continuing to perform the controlled function to which the approval relates if he is not a fit and proper person to perform that function.
23. Taking into account the nature of Mr Duckett's misconduct, his failure to notify the Authority of his disqualification and his lack of fitness and propriety due to his lack of honesty, integrity and reputation, the Authority considers it is appropriate and proportionate to withdraw Mr Duckett's approval to perform the SMF3 (Executive Director) and SMF16 (Compliance Oversight) senior management functions at Beauforce.

REPRESENTATIONS

24. Annex B contains a summary of the key representations made by Mr Duckett in response to the Warning Notice and how they have been dealt with. In making the decision which gave rise to the obligation to give this Decision Notice, the Authority has taken into account all of the representations made by Mr Duckett whether or not set out in Annex B.

PROCEDURAL MATTERS

25. This Decision Notice is given to Mr Duckett under section 57(3) and section 63(4) of the Act and in accordance with section 388 of the Act.

Decision Maker

26. The decision which gave rise to the obligation to give this Decision 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>

The Tribunal

27. Mr Duckett has the right to refer the matter to which this Notice relates to the Tribunal. Under paragraph 2(2) of Schedule 3 of the Tribunal Procedure (Upper Tribunal) Rules 2008, Mr Duckett has 28 days from the date on which this Notice is given to him to refer the matter to the Tribunal. A reference to the Tribunal is made by way of a signed reference notice (Form FTC3) filed with a copy of this Notice. The Tribunal's contact details are: The Upper Tribunal, Tax and Chancery Chamber, Fifth Floor, Rolls Building, Fetter Lane, London EC4A 1NL (tel: 020 7612 9730; email fs@hmcts.gsi.gov.uk). Further information on the Tribunal, including guidance and the relevant forms to complete, can be found on the HM Courts and Tribunal Service website:

<http://www.justice.gov.uk/forms/hmcts/tax-and-chancery-upper-tribunal>.

28. A copy of the reference notice (Form FTC3) must also be sent to the Authority at the same time as filing a reference with the Tribunal. A copy of the reference notice should be sent to Sheena Baldev at the Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN.
29. Once any such referral is determined by the Tribunal and subject to that determination, or if Mr Duckett chooses not to refer the matter to the Tribunal, the Authority will issue a final notice about the implementation of that decision.

Access to evidence

30. Section 394 of the Act applies to this Decision Notice. In accordance with section 394(1), Mr Duckett is entitled to have access to the following:
 - (a) the material upon which the Authority has relied in deciding to give Mr Duckett this Decision Notice; and
 - (b) any secondary material which, in the opinion of the Authority, might undermine that decision.

Interested party rights

31. The Decision Notice is also being given to Beauforce as an interested party in the withdrawal of Mr Duckett's approval pursuant to section 63(4) of the Act. The rights of Beauforce to:
 - (a) have access to material pursuant to section 394 of the Act, as described above; and
 - (b) refer to the Tribunal the decision to withdraw Mr Duckett's approval, pursuant to section 63(5) of the Act,

are limited to this action.

Confidentiality and publicity

32. This Decision Notice may contain confidential information and should not be disclosed to a third party (except for the purpose of obtaining advice on its contents). In accordance with section 391 of the Act, a person to whom this Decision Notice is given or copied may not publish the Notice or any details concerning it unless the Authority has published the Notice or those details.
33. The Authority must publish such information about the matter to which a Decision Notice or Final Notice relates as it considers appropriate. The persons to whom this Decision Notice is given or copied should therefore be aware that the facts and matters contained in this Decision Notice may be made public.

Authority Contacts

34. For more information concerning this matter generally, Mr Duckett should contact Sheena Baldev at the Authority (direct line: 020 7066 6760 or by email: sheena.baldev2@fca.org.uk).

Alison Potter
Chair, Regulatory Decisions Committee

ANNEX A

RELEVANT STATUTORY PROVISIONS

1. The Authority's operational objectives are set out in section 1B(3) of the Act and 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."
3. Section 63(1) of the Act states "the [Authority] may withdraw an approval under section 59 given by the [Authority] or PRA in relation to the performance by a person of a function if the [Authority] considers that the person is not a fit and proper person to perform the function."

RELEVANT REGULATORY PROVISIONS

4. In exercising its power to make a prohibition order, the Authority must have regard to guidance published in the Handbook and in regulatory guides, such as EG. The relevant main considerations in relation to the action specified above are set out below.

Code of Conduct (COCON)

5. The Authority's senior manager conduct rules are set out at COCON 2.
6. COCON 2.24R states that a senior manager must disclose appropriately any information of which the Authority would reasonably expect notice.

The Enforcement Guide

7. The Authority's policy in relation to exercising its power to issue a prohibition order is set out in EG.
8. EG 9.1 explains the purpose of prohibition orders and the Authority's power to withdraw approval from an approved person.
9. EG 9.2 sets out the Authority's general policy on making prohibition orders and withdrawing the approval of an approved person. 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.
10. EG 9.3 sets out the Authority's policy on making prohibition orders against approved persons and withdrawing their approval. In particular -
- (a) EG 9.3.1 states that when the Authority has concerns about the fitness and propriety of an approved person, it may consider whether it should prohibit that person from performing functions in relation to regulated activities, withdraw its approval, or both.
 - (b) EG 9.3.2 sets out the matters which the Authority may take into account when deciding whether to make a prohibition order against an approved person. These include: whether the individual is fit and proper to perform functions in relation to regulated activities (noting the main assessment criteria set out in FIT 2.1, 2.2 and 2.3) (EG 9.3.2(2)); the relevance and materiality of any matters indicating unfitness (EG 9.3.2(5)); the length of time since the occurrence of any matters indicating unfitness (EG 9.3.2(6)); and the severity of the risk which the individual poses to consumers and to confidence in the financial system (EG 9.3.2(8)).

The Fit and Proper Test for Employees and Senior Personnel (FIT)

- 11. FIT sets out the criteria that the Authority will consider when assessing the fitness and propriety of a candidate for a controlled function and may consider when assessing the continuing fitness and propriety of approved persons.
- 12. 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.
- 13. FIT 2.1.1G provides 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.
- 14. FIT 2.1.3G provides a list of (non-exhaustive) matters to which the Authority will have regard when determining a person's honesty, integrity and reputation. These include:
 - (a) whether the person has been the subject of any adverse finding or any settlement in civil proceedings, particularly in connection with investment or other financial business, misconduct, fraud or the formation or management of a body corporate (FIT 2.1.3G(2));
 - (b) whether the person has ever been disqualified from acting as a director or disqualified from acting in any managerial capacity (FIT 2.1.3G(12)); and
 - (c) whether, in the past, the person has been candid and truthful in all their dealings with any regulatory body and whether the person demonstrates a readiness and willingness to comply with the requirements and standards of the regulatory system and with other legal, regulatory and professional requirements and standards (FIT 2.1.3G(13)).

ANNEX B

REPRESENTATIONS

1. A summary of the key representations made by Mr Duckett, and of the Authority's conclusions in respect of them (in **bold**), is set out below.

Fitness and Propriety

No evidence of serious dishonesty or lack of integrity

2. Mr Duckett acknowledges that the Authority must assess his conduct against the criteria in FIT, and that the Authority relies on the elements set out in FIT 2.1.3G(2), which relates to whether a person has been the subject of any adverse finding in civil proceedings, and FIT 2.1.3G(12) relating to whether a person has ever been disqualified from acting as a director or from acting in any managerial capacity.
3. However, consideration should be given to the fact that the proceedings leading to Mr Duckett's disqualification were regulatory in nature, not criminal, and that his conduct did not equate to a criminal or fraudulent act. The disqualification was not imposed on Mr Duckett as a result of criminal misconduct, fraud or financial mismanagement. At all times he co-operated fully with the proceedings to the best of his ability and his evidence should not be construed as evidence of dishonesty. In addition, the Authority appears to place unquestioning reliance on the Judgment without having given due consideration to the fact that the conclusions in the Judgment were reached in the absence of a proper HMRC investigation. It is inappropriate that the Authority has based its action on findings that were incomplete and fundamentally flawed.
4. Further, no formal findings of dishonesty or fraudulent intent were made against Mr Duckett in the civil proceedings. The relevant company's alleged involvement in VAT fraud was a suspicion, not a proven fact, and there is no evidence that he engaged in fraudulent activity.
5. The findings of the Court regarding alleged dishonesty and fabrication of evidence were made in error based on the complete lack of investigation by HMRC. In his opening remarks, the Judge stated that the question of Mr Duckett's trustworthiness and honesty was not in issue. Evidence of Mr Duckett's honesty is also demonstrated by letters written in support of Mr Duckett that he has given to the Authority.
6. Further, Companies House states that Mr Duckett was never formally appointed as a company director. At all material times his only association with the company was that of an external adviser purely to form the company for the sole director and that director's business partner, Individual A. Mr Duckett went through the online application for the sole director and, whilst doing so, explained the process to that director due to their dyslexia. Mr Duckett was never involved in any operational aspects of the company. His role as an external adviser did not confer on him the full legal responsibilities of a director. It was inappropriate for the court to classify him as a de facto director subject to the same statutory obligations of such a director.
7. In addition, if HMRC had carried out a full and proper investigation and taken account of the fact that Mr Duckett's accountant had spoken to Individual A, that in itself would have evidenced that Individual A was a real person and not an imaginary person as was held by the Court. The Judge stated that whether Individual A is or is not fictitious lies near to or at the heart of the case. A full

investigation by HMRC would have clarified that Individual A exists and would have discredited their assertions, thus proving that Mr Duckett's actions were neither misleading, false nor intended to deceive the Court. Mr Duckett's accountant supplied a letter to the Court which was ignored by HMRC who made no attempt to locate Individual A.

8. Mr Duckett refutes the suggestion that he presents a severe risk to consumers or to confidence in the UK financial system. There is also no evidence that he engaged in misconduct that caused actual harm to consumers, nor has he been found guilty of financial mismanagement or fraud. The proceedings related to his supposed directorial responsibilities, not regulated financial activities and should not automatically equate to a finding that he is unfit to operate within the financial sector as he has done over the last 20 years. During this time, there has not been a single complaint regarding his trustworthiness or honesty.
9. The Authority has dismissed, outright, the written testimony of Mr Duckett's referee which unequivocally confirms the existence of Individual A who the Judge considered to be a fabrication. This testimony contradicts the Court's assertion that Mr Duckett fabricated evidence regarding the role of Individual A. Further, the Authority has been unwilling to engage with the evidence or reassess its views in light of factual inconsistencies between the referee's testimony and the assertions in the Judgment. The refusal to acknowledge or engage with this testimony raises serious concerns about the objectivity and fairness of the Authority's approach.
10. **As set out in FIT 2.1.3G(2) and (12), the Authority is entitled to place reliance on adverse findings against an individual in civil proceedings and on whether or not an individual has been disqualified as a director when assessing that individual's fitness and propriety. This approach has been taken in similar previous cases, where reliance has been placed on the judgments in High Court proceedings resulting in director disqualifications when making prohibition orders against individuals on the basis that they lack fitness and propriety¹.**
11. **Whilst the Authority accepts that the disqualification proceedings in the Court were not brought on the basis that Mr Duckett had allegedly participated in a fraud, the Judge's findings that Mr Duckett had conducted his defence dishonestly by giving false evidence and lying on oath egregiously, show that Mr Duckett is incorrect to assert that his honesty was not in question during these proceedings. The Judge's findings as to Mr Duckett's lack of honesty in the Court proceedings, especially with regards to his false evidence in respect of the existence of Individual A, and his sending emails to various parties purporting to come from that individual, are the basis on which the Authority has concluded that he lacks honesty and integrity. Mr Duckett's insistence to the Authority that Individual A was a real person has not been supported by any additional evidence to that which the Court considered in concluding that Individual A was a fabrication, and in the absence of any such evidence there are no grounds on which the Authority could question the Court's findings.**
12. **The Authority has considered and taken into account all of the representations and material provided by Mr Duckett. The letter provided by the referee provides no additional supporting evidence in respect of the existence of Individual A. Absent this, and also in light of the fact that in the Judgment the Judge remarked that it was odd that Mr Duckett**

¹ For example, the cases resulting in prohibition orders being imposed on Gary John Gregson: [Final Notice 2020: Gary John Gregson](#) and Andrew Roy Brooke: [Final Notice 2022: Andrew Roy Brooke](#).

complained that the Official Receiver had not called evidence from this referee when it was he who sought to rely on their evidence, the Authority is unable to place any additional weight on the account of the referee as against the findings in the Judgment.

Lack of evidence of fabrication of evidence

13. Mr Duckett refutes the allegations of perjury and reliance on fabricated evidence. As stated above, a full investigation by HMRC would have proved that what he was saying was correct. For example, HMRC alleged that the invoices he sent to the company were created after the event. However, HMRC had failed to carry out a full investigation of all of Mr Duckett's electronic equipment which he had offered to them. Had HMRC done this, it would have proved that the documents had been created on the date specified and not after the event as alleged. HMRC also alleged that Mr Duckett failed to keep the necessary documentation to keep good records and accounts for the company. Mr Duckett and the director of the company never had any access to these documents or bank records.
14. **Mr Duckett's representations in respect of his evidence not being fabricated are essentially the same arguments that he advanced as part of his defence in the High Court disqualification proceedings. The Authority has no reason to believe that the High Court did not test the rigour of HMRC's investigation in reaching its decision. Mr Duckett has provided no additional material, documentation or information to support his arguments. The Authority, therefore, in its role as Mr Duckett's regulator, and in line with the guidance set out in FIT, is entitled to rely on the authoritative findings contained within the Judgment handed down by the Court that he conducted his defence dishonestly, when determining whether or not he is fit and proper.**

Disproportionality of director disqualification period

15. The ten-year director disqualification period was excessive and disproportionate. This length of disqualification is usually reserved for cases involving fraud, dishonesty or gross mismanagement, none of which are present in this case. Given the circumstances a lesser sanction would have been more appropriate.
16. **It is not the Authority's role to opine on the appropriateness or proportionality of a sanction imposed by a court in a case to which it was not a party. The Authority also notes that Mr Duckett has not appealed the finding of the Judge that Mr Duckett's conduct constituted a serious breach of his obligations as a company director and merited a 10-year period of disqualification in circumstances where the potential maximum period is 15 years.**

Failure to disclose his disqualification to the Authority

17. Mr Duckett admits that failing to notify the Authority of his disqualification was an error and apologises unreservedly for this. He does not know the rules of the Authority on this point and did not know he had to disclose his disqualification to the Authority. Had he known, and as evidenced from the letters provided to the Authority by referees which vouch for his previous meticulous conduct in all areas of compliance with regulatory authorities, he would have done so. His failure to disclose his disqualification was down to a lack of knowledge, not an intentional act of concealment or deliberate deception, nor was it an act committed for personal gain. The non-disclosure did not result in consumer harm, market disruption or financial misconduct.

18. As soon as the matter of non-disclosure was brought to his attention, Mr Duckett took appropriate steps to clarify and rectify any perceived non-disclosure. The fact that the disqualification is unrelated to matters regarding personal integrity or financial misconduct should also be taken into account.
19. Mr Duckett has for over 20 years an otherwise unblemished professional record demonstrating years of compliance and ethical conduct in regulated activities. In all his years of running limited companies, he has an unblemished professional record in maintaining all records and obligations as necessary – as confirmed by the letter supplied to the Authority by his referee.
20. **Mr Duckett is an experienced company director, the only approved person at Beauforce and holds both the SMF3 (Executive Director) and SMF16 (Compliance Oversight) functions at Beauforce. Therefore, given his experience, the Authority considers that Mr Duckett should have been aware that his director disqualification would prevent him from taking part directly or indirectly in the management of any company. Further, as holder of the Compliance Oversight function, the Authority considers that he should have known that his disqualification would mean that he would not be able to continue to perform senior management functions and that he would need to notify the Authority of this. Accordingly, the Authority considers Mr Duckett’s failure to disclose his disqualification as a director is an additional factor which supports its decision to prohibit him and to withdraw his approvals.**
21. **Further, the Authority does not accept that Mr Duckett took appropriate steps to clarify and rectify any potential non-disclosure. In his response to the Authority’s letter in July 2024 which brought these matters, including the non-disclosure aspect, to his attention he made no reference to, or proffered any explanation for, the non-disclosure and he has not taken steps to ensure that he is no longer approved by the Authority to perform the director role.**

The Authority’s enforcement powers must be applied proportionately

22. The guidance in the Handbook relating to the imposition of prohibition orders and of decisions to withdraw approval, set out at Chapter 9 of EG, provides that when deciding on the scope of a prohibition order, the Authority will give consideration to (amongst other things) the severity of the risk posed to consumers and the market by the individual concerned (EG 9.2.3). There is no evidence of direct consumer harm or market instability caused by Mr Duckett’s actions. His past exemplary conduct does not demonstrate a pattern of dishonest, reckless, or financially irresponsible behaviour that would justify a complete prohibition or withdrawal of approval.
23. Further, withdrawal of approval under section 63(1) of the Act must be based on a clear risk to regulatory standards. In particular, EG 9.3.1 and EG 9.3.2 state that the Authority should consider the materiality and relevance of the alleged misconduct when deciding to withdraw approval. Mr Duckett has performed the SMF3 and SMF16 functions without incident and there is no evidence to suggest that his work in these roles has harmed consumers or market confidence.
24. The Authority should also take into account the guidance at EG 9.3.2(6) which states that the length of time since the occurrence of any matters indicating unfitness should be considered when deciding whether to prohibit and/or withdraw approval. The events relied upon by the Authority occurred some time ago; both prior to these events and subsequently his behaviour has demonstrated a commitment to regulatory compliance.

25. One isolated issue should not be determinative of a person's overall character or suitability. There is no evidence that Mr Duckett's actions pose a risk to consumers or the integrity of the financial system and a finding of unfitness would be excessive, particularly where there is no evidence of consumer harm, financial misconduct or continued regulatory breaches. The Authority should consider alternative measures such as a warning, rather than a complete prohibition.
26. **Whilst the matters which are the subject of the adverse findings by the Court against Mr Duckett relate to a company that is not subject to regulation by the Authority, the Court's findings in respect of his dishonesty during those proceedings, coupled with Mr Duckett repeatedly relying on the same narrative which was held by the Court to be false, are relevant to the Authority as they inform its assessment of Mr Duckett's fitness and propriety. The Authority considers that the conduct referred to in the Judgment poses a potential risk to consumers. As Beauforce is a debt management firm which deals with many vulnerable customers, the Authority considers that the withdrawal of approval and the imposition of a prohibition order are appropriate measures to protect consumers in the context of the types of consumers and regulated activity Mr Duckett is involved with.**
27. **The Authority does not view this as an isolated, historical incident given that the disqualification proceedings (which were not disclosed to the Authority) only concluded in 2020 and the period of disqualification itself runs until 2030. Further, the Judge's findings with regard to Mr Duckett's dishonest conduct during the Court proceedings, especially in circumstances where in these regulatory proceedings he maintains the narrative which gave rise to that finding, is of particular concern to the Authority. This indicates that Mr Duckett does not have an alternative credible explanation for the matters in respect of which the High Court found him to be dishonest and has failed to recognise or accept the seriousness and potential impact of his conduct.**

Lesser sanctions should be considered

28. EG 9.2.2 allows for the consideration of a range of prohibition orders by the Authority. The Authority should reconsider its approach and apply a lesser prohibition or restrictions such as additional oversight requirements, rather than a full withdrawal of approval and prohibition. In Mr Duckett's view, this would be a more proportionate response.
29. **Due to the legal effect of the Disqualification Order to which Mr Duckett is subject until 2030, the Authority must withdraw Mr Duckett's approvals. The SMF roles he holds at Beauforce are in direct conflict with the legal requirement of his disqualification - that he must not take part, directly or indirectly in the management of a company. Therefore, any suggestion that the Authority ought to consider lesser measures rather than full withdrawal of approval is misguided. Further, given that Mr Duckett was disqualified in 2020, and due to his failure to notify the Authority of his disqualification, he has retained those roles for several years in circumstances where he was not permitted to carry them out as a result of the Disqualification Order. Alternative measures such as additional oversight requirements or a limited prohibition would not be appropriate in circumstances where he is unable to hold the required functions at all.**
30. **In addition, the Authority does not consider that a time-limited prohibition would be appropriate given the circumstances arising in this case. The**

findings of dishonesty made by the Judge against Mr Duckett, coupled with his failure, without reasonable excuse, to disclose the Disqualification Order arising from that Judgment present a live and ongoing risk to consumers which the Authority considers can only be mitigated by the imposition of a full prohibition.