



12 Endeavour Square
London
E20 1JN

Tel: +44 (0)20 7066 1000
Fax: +44 (0)20 7066 1099
www.fca.org.uk

FINAL NOTICE

To: Fair Return Legal Services Limited

Address: Parkhill Business Centre, Walton Road, Wetherby, West Yorkshire
LS22 5DZ

FRN: 838208

Dated: 28 July 2025

ACTION

1. For the reasons given in this Final Notice, the Authority hereby cancels Fair Return Legal Services Limited ("the Firm")'s Part 4A permission to carry on regulated activities.
2. The Authority issued to the Firm the Decision Notice, which notified it that for the reasons given in this notice and pursuant to section 55J of the Act, the Authority had decided to take the action specified above.
3. The Firm has not referred the matter to the Tribunal within 28 days of the date on which the Decision Notice was issued to it.
4. Accordingly, the Authority has today cancelled the Firm's Part 4A permission. The cancellation takes effect from the date of this Final Notice.

SUMMARY OF REASONS

5. On the basis of the facts and matters set out in this Notice, it appears to the Authority that the Firm is failing to satisfy the Threshold Conditions. In particular that the Firm is failing to satisfy the appropriate resources Threshold Condition, in that the Authority is not satisfied that the Firm has appropriate non-financial resources in relation to the

regulated activities that it carries on or seeks to carry on. Specifically, the Firm does not have any individual approved to perform the senior management function required in respect of the regulated activities which the Firm is permitted to carry out.

6. Furthermore, it appears to the Authority that the Firm is failing to satisfy the suitability Threshold Condition, in that the Authority is not satisfied that the Firm is a fit and proper person having regard to all the circumstances. Specifically, the Firm has failed to be open and co-operative in all its dealings with the Authority, and as a result, the Authority is not satisfied that the Firm's business is being, or will be, managed in such a way as to ensure that its affairs will be conducted in a sound and prudent manner.
7. The cancellation action set out at paragraph 1 above has been imposed to advance the Authority's consumer protection and integrity objectives (sections 1C and 1D of the Act).

DEFINITIONS

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

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

"the appropriate resources Threshold Condition" means the Threshold Condition set out in paragraph 2D of Schedule 6 of the Act;

"the Authority" means the Financial Conduct Authority;

"COND" means the Threshold Conditions part of the Handbook;

"the Decision Notice" means the Decision Notice given to the Firm on 24 June 2025;

"ENFG" means the Enforcement Guide;

"the Firm" means Fair Return Legal Services Limited;

"the Firm's Part 4A permission" means the permission granted by the Authority to the Firm to carry on regulated activities under Part 4A of the Act;

"the Handbook" means the collection of regulatory rules, manuals and guidance issued by the Authority in its Handbook;

"PRIN" or "the Principles" means the rules set out in the section of the Handbook entitled "Principles for Businesses";

"the suitability Threshold Condition" means the Threshold Condition set out in paragraph 2E of Schedule 6 to the Act;

"SUP" means the Authority's Supervision Manual;

"the Threshold Conditions" means the Threshold Conditions set out in Schedule 6 of the Act; and

"the Tribunal" means the Upper Tribunal (Tax and Chancery Chamber).

RELEVANT STATUTORY AND REGULATORY PROVISIONS

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

FACTS AND MATTERS

10. The Firm was authorised by the Authority on 11 February 2021 to conduct claims management activities.

11. The individual who was the only approved person to perform the SMF29 (Limited scope) management function at the Firm, has ceased performing the role. The Authority attempted to contact the Firm via email, post and telephone between 9 August 2024 and 19 September 2024, to request that the Firm submits a Form C application to withdraw the current SMF29s approval and a Form A application seeking approval of a new SMF29.
12. On 20 September 2024 the Firm submitted a Form C application to withdraw the SMF29's approval, however the Firm failed to submit the Form A application, so the Firm continues to have no approved person to perform the SMF29 function.
13. On 2 October 2024 and 29 October 2024, the Authority contacted the Firm and requested it submits the Form A, the Firm responded on 5 November 2024 and requested an extension which was granted until 8 November 2024. However, the Firm failed to submit the Form A.
14. On 20 January 2025 the Authority sent a Letter Before Action as the Firm still had not submitted the Form A. On 3 February 2025 the Firm responded to the letter and requested a further extension, which the Authority granted until 17 February 2025. However, the Firm failed to submit the Form A.
15. Further attempts were made to contact the Firm via email on 18 February 2025 and 4 March 2025 which were unsuccessful as the Authority received a failed email delivery message in relation to the chaser emails.

FAILINGS

16. From the facts and matters described above, the Authority, having regard to its operational objectives, which include protecting and enhancing the integrity of the UK financial system and the protection of consumers, considers that:
 - a) by failing to seek approval from the Authority to appoint an appropriate individual to perform the relevant senior management function (following the Firm's previous approved person ceasing to hold office at the Firm), the Firm's non-financial resources are not sufficient to enable it to comply with requirements imposed or likely to be imposed on it by the Authority in the exercise of its functions. Therefore, the Firm's non-financial resources are not appropriate in relation to the regulated activities that it carries on or seeks to carry on and it is failing to satisfy the appropriate resources Threshold Condition; and
 - b) by failing to respond adequately to the Authority's repeated requests relating to submission of a Form A, the Firm is failing to comply with Principle 11 in that the Firm has failed to deal with the Authority in an open and co-operative way and to disclose to the Authority appropriately anything relating to the Firm of which the Authority would reasonably expect notice. The Firm is therefore not a fit and proper person having regard to all the circumstances because it has failed to satisfy the Authority that its business is being, or will be, managed in such a way as to ensure that its affairs will be conducted in a sound and prudent manner and the Firm is therefore failing to satisfy the suitability Threshold Condition.
17. For the reasons set out in this Notice, the Authority has cancelled the Firm's Part 4A permission.

PROCEDURAL MATTERS

18. This Final Notice is given to the Firm under and in accordance with section 390 of the Act.

Decision Maker

19. The decision which gave rise to the obligation to give this Final Notice was made by an Authority staff member under executive procedures.

Publicity

20. Sections 391(4), 391(6) and 391(7) of the Act apply to the publication of information about the matter to which this notice relates. Under those provisions, the Authority must publish such information about which this notice relates as the Authority considers appropriate. 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 the Firm or prejudicial to the interest of consumers or detrimental to the stability of the UK financial system.
21. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

Authority Contacts

22. For more information concerning this matter generally, the Firm should contact Shamsuz Zaman at the Authority (direct line: 020 7066 1695 / email: Shamsuz.zaman@fca.org.uk).

Jeremy Parkinson

Enforcement and Market Oversight Division

ANNEX

RELVANT STATUTORY PROVISIONS

1. The Authority's operational objectives established in section 1B(3) 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 section 55J of the Act to cancel an authorised person's Part 4A permission, if it appears to the Authority that an authorised person is failing, or is likely to fail, to satisfy the Threshold Conditions or it is desirable to exercise the power in order to advance one or more of its operational objectives.
3. Paragraph 1A(2) of Schedule 6 of the Act provides that, for the purpose of Schedule 6 of the Act, the "non-financial resources" of a person include, amongst other things, the human resources that the person has available.
4. The appropriate resources Threshold Condition set out in Part 1B(2D) of schedule 6 of the Act provides, in relation to a person ("A") carrying on, or seeking to carry on regulated activities which do not include a PRA-regulated activity, that:

"(1) The resources of A must be appropriate in relation to the regulated activities that A carries on or seeks to carry on.

[...]

(4) The matters which are relevant in determining whether A has appropriate non-financial resources include-

[...]

(b) whether A's non-financial resources are sufficient to enable A to comply with-

(i) requirements imposed or likely to be imposed on A by the [Authority] in the exercise of its functions; or

(ii) any other requirement in relation to whose contravention the FCA would be the appropriate regulator for the purpose of any provision of Part 14 of [the Act]".

5. The suitability Threshold Condition set out in Part 1B(2E) of Schedule 6 to the Act provides, in relation to a person ("A") carrying on or seeking to carry on regulated activities which do not consist of or include a PRA-regulated activity, that:

"A must be a fit and proper person having regard to all the circumstances, including-

[...]

(c) the need to ensure that A's affairs are conducted in an appropriate manner, having regard in particular to the interests of consumers and the integrity of the UK financial system.

(d) whether A has complied and is complying with requirements imposed by the FCA in the exercise of its functions, or requests made by the FCA, relating to the provision of information to the FCA and, where A has so complied or is so complying, the manner of that compliance.

[...]

- (f) whether A's business is being, or is to be, managed in such a way as to ensure that its affairs will be conducted in a sound and prudent manner."

RELEVANT REGULATORY PROVISIONS

6. In exercising its power to cancel a firm's Part 4A permission to carry on regulated activities, the Authority must have regard to the regulatory requirements and guidance published in the Handbook and in regulatory guides, such as ENFG. The main considerations relevant to the action stated in this Notice are set out below.

The Threshold Conditions

7. COND sets out guidance on the Threshold Conditions.
8. COND 1.2.1G sets out that the Threshold Conditions represent the minimum conditions for which the Authority is responsible, which a firm is required to satisfy, and continue to satisfy, in order to be given and to retain a Part 4A permission.
9. COND 1.2.3G reproduces the relevant statutory provision that the Authority may exercise its own-initiative powers to cancel an authorised person's Part 4A permission, if a firm is failing to satisfy any of the Threshold Conditions, or is likely to fail to do so.

COND 2.4 – Guidance on the appropriate resources Threshold Condition

10. COND 2.4.1AUK reproduces the relevant statutory provision that the resources of a person concerned must be appropriate in relation to the regulated activities that A carries on or seeks to carry on, and that the matters which are relevant in determining whether A has appropriate non-financial resources include whether A's non-financial resources are sufficient to enable A to comply with the requirements imposed or likely to be imposed on A by the Authority in the course of the exercise of its functions.
11. COND 2.4.2G(2) provides that the Authority will interpret the term 'appropriate' as meaning sufficient in terms of quantity, quality, and availability, and 'resources' as including non-financial resources, an example of which includes human resources.

COND 2.5: Guidance on the suitability Threshold Condition

12. COND 2.5.1AUK(1) reproduces the relevant statutory provision that a person concerned must be a fit and proper person having regard to all the circumstances, including, amongst other things:
- the need to ensure that the person's affairs are conducted in an appropriate manner, having regard in particular to the interests of consumers and the integrity of the UK financial system (COND 2.5.1A(1)(c));
 - the need to comply with requirements imposed by the Authority in the exercise of its functions, or requests made by the Authority, relating to the provision of information to the Authority, and where a person has so complied or is so complying, the manner of that compliance (COND 2.5.1AUK(1)(d)); and
 - whether the business is being, or is to be, managed in such a way as to ensure that its affairs will be conducted in a sound and prudent manner (COND 2.5.1AUK(1)(f)).

13. COND 2.5.2G states that the Authority will take into consideration anything that could influence a firm's continuing ability to satisfy the suitability Threshold Condition.
14. COND 2.5.3G states that the emphasis of the suitability Threshold Condition is on the suitability of the firm itself. However, in certain circumstances, the Authority may consider that the firm is not suitable because of doubts over the individual or collective suitability of persons connected with the firm.
15. COND 2.5.6G gives examples of the kind of particular considerations to which the Authority may have regard when assessing whether a firm will satisfy, and continue to satisfy, the suitability Threshold Condition including, but not limited to:
 - whether the firm has been open and co-operative in all its dealings with the Authority (Principle 11 (Relations with regulators)) and is ready, willing and organised to comply with the requirements and standards under the regulatory system in addition to other legal, regulatory and professional obligations; the relevant requirements and standards will depend on the circumstances of each case, including the regulated activities which the firm has permission, or is seeking permission, to carry on (COND 2.5.6G(1)); and
 - whether the firm has contravened, or is connected with a person who has contravened, any provisions of the Act or the regulatory system (which includes the threshold conditions, the Principles and other rules, codes and guidance) (COND 2.5.6G(4)).

The Principles

16. The relevant principles for businesses are set out in PRIN 2.1.1R.
17. Principle 11 of PRIN (Relations with regulators) requires a firm to deal with its regulators in an open and co-operative way, and to disclose to the Authority appropriately anything relating to the firm of which the Authority would reasonably expect notice.

The Enforcement Guide

18. The Authority's policy in relation to exercising its enforcement powers is set out in ENFG, certain provisions of which are summarised below.
19. The Authority views the threshold conditions as being fundamental requirements for authorisation and it will generally take action in all such cases which come to its attention, and which cannot be resolved through the use of supervisory tools. Firms are given the opportunity to correct the failure and if the firm does not take the necessary remedial action, the Authority will consider whether its permission to carry out regulated business should be varied and/or cancelled.
20. SUP 6.B.1.1 provides that the Authority may use its own-initiative power to vary or cancel the Part 4A permissions of an authorised person under section 55J of the Act where the person is failing or is likely to fail to satisfy the Threshold Conditions for which the Authority is responsible.
21. SUP 6B.5.1(1) states that the Authority will consider cancelling a firm's Part 4A permission using its own-initiative powers under section 55J of the Act in circumstances where the Authority has very serious concerns about the firm, or the way its business is or has been conducted.

22. SUP 6B.5.2 provides examples of the types of circumstances in which the Authority may cancel a firm's Part 4A permission on its own initiative, including the following:
- a failure to co-operate with the Authority which is of sufficient seriousness that the Authority ceases to be satisfied that the firm is fit and proper SUP 6B.5.2(8)), for example failing without reasonable excuse to:
 - (b) provide material or take remedial action reasonably required by the Authority.