
FINAL NOTICE

To: **GC Motors (Yorkshire) Limited**

Address: **110 Pontefract Road
Featherstone
Pontefract
West Yorkshire
WF7 5AP**

FRN: **806723**

Dated: **26 June 2025**

ACTION

1. For the reasons given in this Final Notice, the Authority hereby cancels GC Motors (Yorkshire) 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. The Authority has decided, on the basis of the facts and matters set out in this Notice, that the Firm is failing to satisfy the Threshold Conditions. In particular, the Authority considers 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 functions required in respect of the regulated activities which the Firm is permitted to conduct.
6. Furthermore, the Authority has decided 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 submit its annual Return and also 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 in order 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 20 of Schedule 6 to the Act;

"the Authority" means the Financial Conduct Authority;

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

"EG" means the Authority's Enforcement Guide;

"the Decision Notice" means the Decision Notice given to the Firm on 21 May 2025;

"EG" means the Authority's Enforcement Guide;

"the Firm" means GC Motors (Yorkshire) Ltd;

"the Firm's Part 4A permission" means the permission granted by the Authority to the Firm pursuant to Part 4A of the Act;

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

"PRIN" or the "Principles" means the Authority's Principles for Businesses;

"the Return" means the CCR007 Return for the period 1 April 2023 to 31 March 2024 which was due on 14 May 2024;

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

"SUP" means the Supervision manual within the Handbook;

“the Threshold Conditions” means the threshold conditions set out in Schedule 6 to 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 31 May 2018 to conduct regulated credit broking activities.

Failure to appoint a senior management function and be open and cooperative

11. On 5 December 2023, the Authority emailed the Firm as it appeared from Companies House that there had been a change in control at the Firm. The FCA informed the Firm that it needed to submit the following by 21 December 2023:

- a) Firm A application (which is used to obtain approval from the FCA for a suitable individual to be approved to hold the required senior management functions);
- b) Form C to withdraw the approval of the current approved person at the Firm; and
- c) Change in Control notification.

12. On 8 December 2023, the Authority spoke to a contact at the Firm who noted that it had been taken over and that their understanding was that the Firm’s permissions had already been cancelled. They advised that the Firm traded under a different name and was planning to apply for authorisation under a different firm. They agreed to apply to cancel the Firm’s permission and was provided with information to complete the cancellation application.

13. Between 12 December 2023 and 19 February 2024, the FCA chased the Firm on several occasions by phone and email to complete the cancellation form, which remained outstanding.

14. On 5 March 2024, the Authority sent a letter to the Firm stating that it was in breach of Principle 11 (Relations with regulators) of the Authority’s Principles for Business due to its failure to cooperate. The Firm was given a final opportunity to submit a cancellation application by 19 March 2024, and was warned that failure to do so would result in Enforcement action to cancel the Firm’s Part 4A permission.

15. The Firm has taken no steps to complete the cancellation application or take the steps set out at paragraph 7 above.

Failure to submit the Return

16. The Firm is required by the rules contained in Chapter 16 of SUP to submit the Return by the relevant due date. The Firm has failed to submit the Return for the period 1 April 2023 to 31 March 2024 despite reminder emails being sent to the Firm on 13 May 2024 and 14 May 2024 noting that Return was due by 14 May 2024.

17. On 15 May 2024, the Authority emailed the Firm stating that the Return was overdue and that the Firm had not met its reporting requirements. The email set out that the failure to submit the Return may lead to the cancellation of the Firm’s Part 4A permission to conduct regulated activities. To date, the Firm has not submitted the Return.

18. The information contained in the Return is essential to the Authority's assessment of whether the Firm is complying with the requirements and standards of the regulatory system and to the Authority's understanding of the Firm's business. The Firm's failure to submit the Returns places at risk the ability of the Authority to discharge its risk-based supervisory functions and to achieve the Authority's operational objectives, which include the protection of consumers and protecting and enhancing the integrity of the UK financial system.

Letter Before Action

19. On 25 July 2024, the Authority sent a Letter Before Action to the Firm in respect of the Firm's failure to either take the steps required in paragraph 8 above or the cancellation application, and also, in respect of the Firm's failure to submit the Return. The Firm was informed that action would be taken to cancel the Firm's Part 4A permission, but it did not respond.

FAILINGS

20. 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 have an appropriate individual approved to perform the relevant senior management function, the Firm does not have appropriate non-financial resources in relation to the regulated activities that the Firm carries on. The Firm is therefore failing to satisfy the appropriate resources Threshold Condition.
- b) By failing to respond adequately to the Authority's repeated requests that the Firm submit a cancellation application form, the Firm is failing to be open and cooperative with the Authority in breach of Principle 11 (Relations with regulators) of the Principles for Business. The Firm is not a fit and proper person having regard to all the circumstances, because it has failed to ensure 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 is therefore failing to satisfy the suitability Threshold Condition.
- c) By failing to submit the Return, the Firm is in breach of the Authority's rules which require a firm to submit reports in accordance with Chapter 16 of SUP and is therefore failing to satisfy the suitability Threshold Condition.

21. For the reasons set out in this Notice, the Authority has cancelled the Firm's Part 4A permission.

PROCEDURAL MATTERS

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

Decision Maker

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

Publicity

24. 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.

25. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

Authority Contacts

26. For more information concerning this matter generally, the Firm should contact Sheena Baldev at the Authority (direct line: 020 7066 6760 / email: Sheena.Baldev2@fca.org.uk).

Jeremy Parkinson

Enforcement and Market Oversight Division

ANNEX

RELEVANT STATUTORY PROVISIONS

1. The Authority's operational objectives are set out in section 1B(3) of the Act 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. The Authority is authorised by section 55J of the Act to cancel an authorised person's Part 4A permission, where it appears to the Authority that such a person is failing to satisfy the Threshold Conditions.
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) to 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 consist of or include a PRA-regulated activity, that:

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

(a) 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.

(b) 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 EG. The relevant main considerations in relation to the action 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) reprocess 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 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 (COND 2.5.1A(1)(c));
 - whether the person 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 the

person has so complied or is so complying, the manner of that compliance (COND 2.5.1A(1)(d)); or

- whether that person'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 (COND 2.5.1A(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 2.5.6G provides 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, this threshold condition includes, but are 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));
 - 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

15. The relevant principles for businesses are set out in PRIN 2.1.1R.
16. 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 Supervision Manual

17. Chapter 16 of SUP relates to the Authority's reporting requirements.
18. SUP 16.3.13R(1) requires that a firm submit a required report in the frequency, and so as to be received by the Authority no later than the due date, specified for that report.
19. SUP 16.3.13R(4) states that if the due date for submission of a required report will be determined by (a) the firm's accounting reference date; or (b) monthly, 3 monthly, or 6 months after the firm's accounting reference date, as the case may be, except where otherwise indicated.
20. The Firm falls within RAG 12. A firm's RAG dictates specific reporting requirements for that firm, based on regulated activities which the firm has permission to carry on and arise from the rules contained in SUP, which stipulates the data item or regulatory report, frequency and the date by which the relevant data item or

regulatory report is required to be submitted. The reporting requirements relevant to the Firm are set out in the rules specified in SUP 16.3.11R, SUP 16.3.13R, SUP 16.12.3R, SUP 16.12.4R and SUP 16.12.29CR.

The Enforcement Guide

21. The Authority's policy in relation to exercising its power to cancel a firm's Part 4A permission is set out in EG, certain provisions of which are summarised below.
22. EG 2.3.1 sets out that 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.
23. EG 8.1.1(1) provides that the Authority may use its own-initiative power to vary or cancel the permission 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.
24. EG 8.5.1(1) states that the Authority will consider cancelling a firm's Part 4A permission using its own initiative power contained in 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.
25. EG 8.5.2 sets out examples of the circumstances in which the Authority may cancel a firm's Part 4A permission on its own initiative, including the following:
 - non-submission of, or provision of false information in, regulatory returns, or repeated failure to submit such returns in a timely fashion (EG 8.5.2(4));
 - repeated failures to comply with rules or requirements (EG 8.5.2(7));
 - 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 (EG 8.5.2(8)), for example failing without reasonable excuse to:
 - (b) provide material or take remedial action reasonably required by the Authority