
FINAL NOTICE

To: **Robert Harriss**

IRN: **RXH01981**

Dated: **24 May 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 Harriss 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 Harriss the Decision Notice, which notified Mr Harriss of the Authority's decision to take the action specified above.
3. Mr Harriss 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 Harriss. The prohibition order takes effect from the date of this Final Notice.

SUMMARY OF REASONS

5. On 24 October 2019, at Southwark Crown Court, Mr Harriss was tried and convicted on indictment of one count of conspiracy to conceal / disguise / convert / transfer / remove criminal property. The offence was committed whilst he was an approved person performing the role of CF8 (Apportionment and oversight) at AAA Drivewise Contracts

Limited, a now dissolved firm that was previously authorised by the Authority.

6. On 31 January 2020, Mr Harriss was sentenced to 4 years' imprisonment, and he was also disqualified from holding the office of director for 6 years.
7. On 18 September 2020, a Confiscation Order was made against Mr Harriss, under the Proceeds of Crime Act 2002, for £50 or, in default, to serve 7 days imprisonment consecutive to the term of custody which Mr Harriss was liable to serve for the substantive offence. He was also ordered to pay a victim surcharge of £120.
8. On the basis of the facts and matters set out below, it appears to the Authority that Mr Harriss is not a fit and proper person to perform any functions in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm. The offence for which he was convicted and disqualified, demonstrate a clear and serious lack of honesty and integrity such that he is not fit and proper to perform regulated activities. In reaching this decision, the Authority has had regard to all relevant circumstances including the relevance and materiality of the offence, and the severity of the risk posed by Mr Harriss to consumers and to confidence in the UK financial system. The Authority considers that it is appropriate to impose the prohibition order set out in paragraph 1 to achieve its consumer protection and integrity objectives.

DEFINITIONS

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

"AAA" means AAA Drivewise Contracts Limited (dissolved);

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

"the Authority" means the Financial Conduct Authority;

"the Decision Notice" means the decision notice given to Mr Harriss on 16 April 2024;

"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;

"Mr Harriss" means Robert Harriss;

"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 given to Mr Harriss dated 21 March 2024.

FACTS AND MATTERS

10. Between 26 April 2016 and 28 April 2016, Mr Harriss hacked the email addresses for officers of a company called Candy Ventures. Candy Ventures' accounts department was asked to settle what they believed to be a bona fide invoice and credited to a bank account in the name of AAA the sum of £1,250,000. AAA was Mr Harriss' company and he controlled the bank account.
11. The offence was committed during the period Mr Harriss was approved to perform the role of CF8 (Apportionment and oversight) at AAA.
12. AAA's account was credited with £1,250,000 on 26 April 2016. Within an hour and over the next three days Mr Harriss moved the money from AAA's account to a number of different accounts. Mr Harriss engineered a total of 47 separate transactions. 36 of these payments, totalling around £590,000, settled debts for which Mr Harriss and his business, AAA, were liable. The remaining 11 payments, totalling around £685,000, were made to accounts which were not controlled by Mr Harriss.
13. On 24 October 2019, at Southwark Crown Court, Mr Harriss was tried and convicted on indictment for conspiracy to conceal / disguise / convert / transfer / remove criminal property. On 31 January 2020, Mr Harriss was sentenced to 4 years imprisonment, and was also disqualified from holding the office of director for 6 years under Section 2 of the Company Directors Disqualification Act 1986. Subsequently, on 18 September 2020, he was made subject to a Confiscation Order in the sum of £50 and ordered to pay a victim surcharge of £120.
14. At the sentencing hearing, the judge made the following observations regarding Mr Harriss' behaviour:
 - a) It is difficult not to assess Mr Harriss' culpability as anything other than high in that Mr Harriss played a leading role where the offending was part of group activity.
 - b) Mr Harriss applied nearly 50% of the proceeds of this fraud for his own ends, albeit to pay a range of creditors, one of whom he had treated "in a rather mean and shabby way".
 - c) Unquestionably there was planning, as Mr Harriss deployed false documentation created before the event intended to hoodwink officers from a bank when they started to ask awkward questions

LACK OF FITNESS AND PROPRIETY

15. The statutory and regulatory provisions relevant to this Final Notice are set out in the Annex.
16. 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 the most important factors include the individual's honesty, integrity and reputation.
17. The facts and nature of Mr Harriss offence, in particular his having been convicted of serious fraud, shows he lacks honesty and integrity. As a result, the Authority considers that Mr Harriss is not a fit and proper person to perform regulated activities.

Prohibition

18. 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.
19. The Authority considers it appropriate to prohibit Mr Harriss from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm. The Authority reached this conclusion having taken into account: (i) Mr Harriss' lack of fitness and propriety; and (ii) the severity of the risk he poses to consumers and confidence in the UK financial system, arising from his conviction for financial crime offences committed whilst he was an approved person.

PROCEDURAL MATTERS

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

Decision maker

21. 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

22. 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. 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 Harriss or prejudicial to the interest of consumers or detrimental to the stability of the UK financial system. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

Authority Contact

23. For more information concerning this matter generally, Mr Harriss should contact Ibrahim Ali at the Authority (direct line: 020 7066 4264)

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 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."

RELEVANT REGULATORY PROVISIONS

3. 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.

The Enforcement Guide

4. The Authority's policy in relation to exercising its power to issue a prohibition order is set out in EG.
5. EG 9.1 explains the purpose of prohibition orders in relation to the Authority's regulatory objectives.
6. 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.
7. 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 (EG 9.3.2(2)), the relevance and

materiality of any matters indicating unfitness (EG 9.3.2(5), and the severity of the risk which the individual poses to consumers and to confidence in the financial system (EG 9.3.2.(8)).

8. 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.
9. 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.

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

10. 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.
11. 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.
12. FIT 2.1.1 G 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 2.1.3 G.
13. FIT 2.1.3 G 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:

Whether the person has been convicted of any criminal offence. Particular consideration will be given to offences of dishonesty, fraud, or offences relating to other financial services legislation.