
FINAL NOTICE

West Buy Limited

16 June 2023

ACTION

1. By an application dated 02 February 2022 ("the Application"), West Buy Limited ("West Buy" or "the Applicant") applied under section 55A of the Act for Part 4A permission to carry on the regulated activities of:
 - a. Agreeing to carry on a regulated activity;
 - b. Exercising/having right to exercise lender's rights and duties under regulated credit agreement (excluding high-cost short-term credit, bill of sale agreement, and home collected agreement; and
 - c. Entering into regulated credit agreement as Lender (Excluding high-cost short term credit, bill of sale agreement and home collected agreement.
2. The Application is incomplete.
3. For the reasons listed below, the Authority has refused the application.

SUMMARY OF REASONS

4. West Buy has failed to respond to requests for the provision of information considered by the Authority to be necessary to allow the Application to be determined. The last request included a statement to the effect that West Buy must contact the Authority within 10 business days, or the Authority would issue West Buy with a Warning Notice. No response was received.
5. By its Warning Notice the Authority gave notice that it proposed to refuse the Application and that West Buy was entitled to make representations to the Authority about that proposed action. No representations were received.
6. By its Decision Notice the Authority gave notice that it would refuse the Application and that West Buy was entitled to make representations to the Upper Tribunal about that proposed action. No representations were received.
7. Authorised firms (and those seeking authorisation) are expected to engage with the Authority in an open and cooperative way. The failure to provide the requested information raises concerns that West Buy would fail to do so if the Application were to be granted.
8. The failure to provide the information raises concerns as to whether West Buy:
 - a. can be effectively supervised by the Authority as required by threshold condition 2C;
 - b. has appropriate human resources, given West Buy's failure to provide the Authority with the requested information as required by threshold condition 2D; and
 - c. will conduct its business with integrity and in compliance with proper standards as required by threshold condition 2E.

DEFINITIONS

9. The definitions below are used in this Final Notice.

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

"the Application" means the application referred to in paragraph 1 above;

"the Authority" means the body corporate previously known as the Financial Services Authority and renamed on 1 April 2013 as the Financial Conduct Authority;

"the Executive Decision Maker" means the member of the Authority's staff acting under executive procedures as described in Chapter 4 of the Decision Procedure and Penalties Manual in the Authority's Handbook.

"SUP" means the Supervision section of the Authority's handbook;

"SYSC" means the Senior Management Arrangements, Systems and Controls section of the Authority's handbook; and

“the Tribunal” means the Upper Tribunal (Tax & Chancery Chamber).

FACTS AND MATTERS

10. The Application was received by the Authority on 02 February 2022.
11. Further information was requested from West Buy under section 55U (5) of the Act.
12. The Authority requested the following information in support of the Application:
 - a. On 25 April 2022, the Authority contacted you via email requesting information including confirmation of the nature of your business, clarification on questions on the Form A submitted as part of the Application, clarification of the permissions applied for as part of West Buy’s Application and clarification on the Permissions and Fees element of the West Buy’s application. You were provided with a deadline of 29 April 2022. No response was received.
 - b. On 03 May 2022, the Authority attempted to contact you via the telephone number provided on your application form and a message was left on your voicemail.
 - c. On 04 May 2022, the Authority contacted you by telephone and email chasing information requested on 25 April 2022 with a deadline of 29 April 2022. A further extension of this deadline was provided to 09 May 2022.
 - d. On 06 May 2022, the Authority contacted you by email. requesting a suitable time to call you on 09 May 2022.
 - e. On 09 May 2022, the Authority attempted to contact you by telephone to no avail, the Applicant were also contacted via email requesting a response to a previous email of 06 May 2022, in this it raised concerns relating to the permissions that had been applied for.
 - f. On 11 May 2022, the Authority emailed you requesting a response to questions previously posed with a deadline of 13 May 2022. In this you were informed that the Authority may refuse your application. Non substantive response received on 13 May 2022.
 - g. On 16 May 2022, the Authority made four calls with two voicemail messages left with no response to these calls. The Applicant was also contacted by email which detailed the information required for the Authority to progress the application. Non substantive response received on the 18 May 2022.
 - h. On 19 May 2022, the Authority emailed you providing you with a contact telephone number and a deadline of 4pm on 19 May 2022. You failed to meet this short deadline or attempt any subsequent contact.
13. On 24 May 2022, the Authority sent a letter to West Buy by way of email and recorded delivery at the postal address provided in the application form, noting the lack of a response to its requests for the information and informing it that a failure to provide the information would result in the Application being determined based upon the information received to date and that this might result in the Authority

issuing West Buy with a Warning Notice proposing to refuse the Application. West Buy failed to provide the outstanding information by the stated deadline for response.

14. On 9 February 2023, the Authority issued a Warning Notice by way of email and recorded delivery, giving notice to West Buy that it proposed to refuse the Application and that West Buy was entitled to make representations to the Authority about that proposed action. No representations were received.
15. On 23 April 2023, the Authority issued a Decision Notice by way of email and recorded delivery, giving notice to West Buy that it had decided to refuse the Application and that West Buy was entitled to make representations to the Upper Tribunal about that proposed action. No representations were received.

IMPACT ON THRESHOLD CONDITIONS

16. West Buy has failed to respond to 15 separate requests for the provision of information considered by the Authority to be necessary to allow the Application to be determined. The final request gave West Buy 10 business days to respond and included a statement to the effect that West Buy must contact the Authority, or the Authority would issue West Buy with a Warning Notice.
17. The Authority must therefore determine the Application based upon the information received to date, in circumstances where its requests for information have not been met. Having reviewed that information, the Authority cannot ensure that West Buy satisfies, and will continue to satisfy, the threshold conditions.
18. Authorised firms (and those seeking authorisation) are expected to engage with the Authority in an open and cooperative way. The failure to provide the requested information raises concerns that West Buy would fail to do so if the Application were to be granted.
19. The failure to provide the information raises concerns as to whether West Buy:
 - a. can be effectively supervised by the Authority as required by threshold condition 2C;
 - b. has appropriate human resources, given West Buy's failure to provide the Authority with the requested information as required by threshold condition 2D; and
 - c. will conduct its business with integrity and in compliance with proper standards as required by threshold condition 2E.
20. On the basis of the facts and matters described above, the Authority cannot ensure that, West Buy will not satisfy and continue to satisfy, the threshold conditions in relation to all regulated activities for which West Buy would have permission if the application was granted and accordingly has decided to refuse the application.

PROCEDURAL MATTERS

Important Notices

21. This Final Notice is given under section 390 of the Act

Publication

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 the matter to 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 you or prejudicial to the interests 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 contacts

22. For more information concerning this matter, contact Donna Finlayson, Manager, Credit & Lending Department at the Authority (direct line: 020 7066 7618 / email: donna.finlayson3@fca.org.uk).

ANNEX A – REGULATORY PROVISIONS RELEVANT TO THIS FINAL NOTICE

Relevant Statutory Provisions

1. Section 55A(1) of the Act provides for an application for permission to carry on one or more regulated activities to be made to the appropriate regulator. Section 55A(2) defines the “appropriate regulator” for different applications.
2. Section 55B(3) of the Act provides that, in giving or varying permission, imposing or varying a requirement, or giving consent, under any provision of Part 4A of the Act, each regulator must ensure that the person concerned will satisfy, and continue to satisfy, in relation to all of the regulated activities for which the person has or will have permission, the threshold conditions for which that regulator is responsible.
3. The threshold conditions are set out in schedule 6 of the Act. In brief, the threshold conditions relate to:
 - (1) Threshold condition 2B: Location of offices
 - (2) Threshold condition 2C: Effective supervision
 - (3) Threshold condition 2D: Appropriate resources
 - (4) Threshold condition 2E: Suitability
 - (5) Threshold condition 2F: Business model

Relevant provisions of the Authority’s Handbook

4. In exercising its powers in relation to the granting of a Part 4A permission, the Authority must have regard to guidance published in the Authority’s Handbook, including the part entitled Threshold Conditions (“COND”). The main considerations in relation to the action specified are set out below.
5. COND 1.3.2G(2) states that, in relation to threshold conditions 2D to 2F, the Authority will consider whether a firm is ready, willing and organised to comply on a continuing basis with the requirements and standards under the regulatory system which will apply to the firm if it is granted Part 4A permission.
6. COND 1.3.3AG provides that, in determining the weight to be given to any relevant matter, the Authority will consider its significance in relation to the regulated activities for which the firm has, or will have, permission in the context of its ability to supervise the firm adequately, having regard to the Authority’s statutory objectives. In this context, a series of matters may be significant when taken together, even though each of them in isolation might not give serious cause for concern.
7. COND 1.3.3BG provides that, in determining whether the firm will satisfy, and continue to satisfy, the Authority threshold conditions, the Authority will have regard to all relevant matters, whether arising in the United Kingdom or elsewhere.

Threshold Condition 2C: Effective Supervision

8. COND 2.3.3G states that, in assessing the threshold condition set out in paragraph 2C of Schedule 6 to the Act, factors which the Authority will take into consideration include, among other things, whether it is likely that the Authority will receive adequate information from the firm to determine whether it is complying with the requirements and standards under the regulatory system for which the Authority is responsible and to identify and assess the impact on its statutory objectives; this will include consideration of whether the firm is ready, willing and organised to comply with Principle 11 (Relations with regulators) and the rules in SUP on the provision of information to the Authority.

Threshold condition 2D: Appropriate Resources

9. COND 2.4.2G(2) states that the Authority will interpret the term 'appropriate' as meaning sufficient in terms of quantity, quality and availability, and 'resources' as including all financial resources (though only in the case of firms not carrying on, or seeking to carry on, a PRA-regulated activity), non-financial resources and means of managing its resources; for example, capital, provisions against liabilities, holdings of or access to cash and other liquid assets, human resources and effective means by which to manage risks.
10. COND 2.4.2G(2A) provides that, 'non-financial resources' of the firm include human resources it has available.
11. COND 2.4.2G (3) states that high level systems and control requirements are in SYSC. The Authority will consider whether the firm is ready, willing and organised to comply with these and other applicable systems and controls requirements when assessing if it has appropriate non-financial resources for the purpose of the threshold conditions set out in threshold condition 2D.

Threshold condition 2E: Suitability

12. COND 2.5.2G(2) states that the Authority will also take into consideration anything that could influence a firm's continuing ability to satisfy the threshold conditions set out in paragraphs 2E and 3D of Schedule 6 to the Act. Examples include the firm's position within a UK or international group, information provided by overseas regulators about the firm, and the firm's plans to seek to vary its Part 4A permission to carry on additional regulated activities once it has been granted that permission.
13. COND 2.5.4G(2)(c)G states that examples of the kind of general considerations to which the Authority may have regard when assessing whether a firm will satisfy, and continue to satisfy, threshold condition 2E include, but are not limited to, whether the firm can demonstrate that it conducts, or will conduct, its business with integrity and in compliance with proper standards.
14. COND 2.5.6G provides that 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 include, but are not limited to, whether the firm has been open and co-operative in all its dealings with the Authority and any other regulatory body (see Principle 11 (Relations with regulators)) and is ready, willing and organised to comply with the requirements and standards under the regulatory system (such as the detailed requirements of

SYSC and, in relation to a firm not carrying on, or seeking to carry on, a PRA-regulated activity only, the Prudential Standards part of the Authority's Handbook) 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.