
FINAL NOTICE

To: William Bernard Drinkwater (trading as Car Sales (formerly trading as JCT 19 Car Centre))

Individual Reference Number: WBD01009

FRN: 737588

Dated: 19 August 2021

ACTION

1. For the reasons listed below, the Authority had decided to take the following action against Mr Drinkwater:
 - a) to make an order under section 56 of the Act, prohibiting Mr Drinkwater from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm; and
 - b) pursuant to section 55J of the Act, to cancel Mr Drinkwater's Part 4A permission.
2. Mr Drinkwater has not referred the matter to the Tribunal within 28 days of the date on which the Decision Notice was issued to him.
3. Accordingly, the Authority has today prohibited Mr Drinkwater from performing any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm, and also cancelled Mr Drinkwater's Part 4A permission.

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DEFINITIONS

5. The definitions below are used in this Final Notice:

“the Act” means the Financial Services and Markets Act 2000;

“the Authority” means the Financial Conduct Authority;

“CF8” means the “apportionment and oversight” controlled function at an authorised firm;

“the Decision Notice” means the Decision Notice issued to Mr Drinkwater dated 25 March 2021;

“Mr Drinkwater” means William Drinkwater (trading as Car Sales (formerly trading as JCT 19 Car Centre)) and William Bernard Drinkwater;

“Mr Drinkwater’s Part 4A permission” means the permission granted by the Authority to Mr Drinkwater pursuant to Part 4A of the Act;

“EG” means the Enforcement Guide;

“the RDC” means the Authority’s Regulatory Decisions Committee;

“the Suitability Threshold Condition” means the threshold condition set out in paragraph 2D of Schedule 6 to the Act;

“SUP” means the Supervision Manual, part of the Handbook;

“the Threshold Conditions” means the threshold conditions set out in Schedule 6 to the Act;

“the Tribunal” means the Upper Tribunal (Tax and Chancery Chamber); and

“the Warning Notice” means the Warning Notice issued to Mr Drinkwater on 1 March 2021.

REASONS FOR ACTION

6. Between 23 November 2016 and 29 July 2019, Mr Drinkwater held the CF8 Apportionment and Oversight function and was the sole shareholder at Trade Centre Warrington Ltd. Since 27 April 2016, Mr Drinkwater was also authorised by the Authority as a sole trader.

7. Whilst Mr Drinkwater was approved to perform the CF8 function at Trade Centre Warrington Ltd, Mr Drinkwater committed offences of fraudulent trading and conspiracy to handle and dishonestly receive stolen goods.

8. On 5 June 2019, Mr Drinkwater was convicted, upon his own confession, of two counts of fraudulent trading and participation in a fraudulent business carried on by a sole trader.

9. On 2 September 2019, Mr Drinkwater was sentenced to 20 months' imprisonment suspended for 24 months, 200 hours of unpaid work, and a rehabilitation activity requirement for 20 days, and was required to pay the victim surcharge and compensation orders. In addition, a Directors Disqualification Order was made against Mr Drinkwater.
10. Following discovery of Mr Drinkwater's conviction, the Authority identified that Mr Drinkwater had also failed to disclose a previous dishonesty conviction to the Authority in his application for authorisation as a sole trader firm, which had been submitted to the Authority on 22 February 2016.
11. On the basis of the facts and matters described above, and conclusions described in the Warning Notice and in the Decision Notice, it appears to the Authority that Mr Drinkwater is not a fit and proper person to perform any function in relation to any regulated activity carried on by any authorised person, exempt person or exempt professional firm. Mr Drinkwater's convictions, and failure to disclose these to the Authority in his application for authorisation, demonstrates a clear and serious lack of honesty and integrity such that he is not fit and proper to perform regulated activities. The Authority therefore considers that it is appropriate to impose a prohibition order against Mr Drinkwater to achieve its consumer protection and integrity objectives (sections 1C and 1D of the Act respectively).
12. On the basis of the facts and matters described above, and conclusions described in the Warning Notice and in the Decision Notice, it also appears to the Authority that Mr Drinkwater, as an authorised sole trader firm, no longer meets the suitability threshold condition by virtue of the connection with Mr Drinkwater and his criminal conviction and disqualification from acting as director for 10 years, and failure to disclose Mr Drinkwater's criminal convictions to the Authority in his application for authorisation and once authorised.
13. Accordingly, the Authority concludes that a prohibition order should be made against Mr Drinkwater, and that Mr Drinkwater's Part 4A permission should be cancelled.

DECISION MAKER

8. The decision which gave rise to the obligation to give this Final Notice was made by the Regulatory Decisions Committee.

IMPORTANT

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

Publicity

10. The Authority must publish such information about the matter to 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 Drinkwater or prejudicial to the interest of consumers.
11. The Authority intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

Authority Contact

12. For more information concerning this matter generally, please contact Yasmin Moore at the Authority (direct line: 020 7066 5439).

Anna Couzens
Enforcement and Market Oversight Division