
FIRST SUPERVISORY NOTICE

To: Donre Advisory Limited

Reference Number: 513993

Address: 15 Bowling Green Lane, London, EC1R 0BD

Date: 17 May 2024

1 ACTION

- 1.1 For the reasons given in this First Supervisory Notice ("FSN"), and pursuant to section 55L(3)(a) of the Financial Services and Markets Act 2000 ("the Act"), the Financial Conduct Authority ("the Authority") has decided to impose the following requirements ("the Requirements") on Donre Advisory Limited ("the Firm") with immediate effect.

Restriction on carrying out regulated activities

- 1) The Firm must immediately cease carrying on all regulated activities for which it has a Part 4A permission, other than where it has the express written consent of the Authority.
- 2) For the avoidance of doubt, the Firm must not carry on any regulated activities for which it does not have permission.

Senior Management Function holder approval

- 3) The Firm must not exercise the voting rights attributable to its shares in the SIPP Operator to amend that company's articles of association or remove or appoint new directors of the SIPP Operator without authorisation from at least one Senior Management Function holder of the Firm, who has been approved by the Authority, such authorisation having been provided in accordance with established decision-making procedures of the Authority.

Retention and notification requirements

- 4) The Firm must, by 29 May 2024, publish in a prominent place on its website a notice setting out the imposition and effect of Requirement 1 in a form to be agreed in advance with the Authority.
 - 5) The Firm must secure and preserve all records and/or information (physical or electronic) relating to its regulated activities in their original form, or in a copy to be identical to the source material. These must be retained in a form and at a location within the United Kingdom, to be notified to the Authority in writing by 29 May 2024 such that they can be provided to the Authority, or to a person named by the Authority, promptly on its request.
- 1.2 These Requirements shall take immediate effect and remain in force unless and until varied or cancelled by the Authority (either on the application of the Firm or of the Authority's own volition).

2 REASONS FOR ACTION

Summary

- 2.1 The Authority has concluded, on the basis of the facts and matters described below that, in respect of the Firm, it is necessary to exercise its power under section 55L(2) and 55L(3)(a) of the Act to impose the Requirements on the Firm because it is failing, or is likely to fail, to satisfy the Threshold Conditions and it is desirable in order to advance one or more of the Authority's operational objectives, which includes securing an appropriate degree of protection for consumers.
- 2.2 The Authority is seeking the imposition of requirements because it has serious concerns about the Firm's ability to satisfy the Threshold Conditions as follows:
- i. Following the removal of Former Director A and Former Director B as directors, the Firm does not have any Senior Managers appointed or approved in the Authority required functions (including SMF16 and SMF17) (SUP 10C.6.1R, SUP 10C.6.2R), nor any directors appointed to the SMF3 function (SUP 10C.5.1R);
 - ii. That without any approved Senior Managers, the Firm is not capable of being effectively supervised by the Authority (COND 2.3.1A, paragraph 2C of Schedule 6 of the Act); and
 - iii. The Firm does not have appropriate financial or non-financial resources in relation to the regulated activities it carries on (COND 2.4.1A, paragraph 2D of Schedule 6 of the Act).
- 2.3 The Authority is also seeking the imposition of requirements because it considers the consumer protection objective is engaged in view of the lack of appropriate financial and non-financial resources at the Firm (Section 1C of the Act).
- 2.4 The Firm is a controller and parent undertaking for an authorised firm which is a SIPP operator. The Authority considers that the Firm's failure to satisfy the of Threshold Conditions also puts the SIPP Operator, and its customers, at risk.
- 2.5 The Authority considers that imposition of the Requirements should take immediate effect because the matters set out in this First Supervisory Notice demonstrate that the Firm is failing to satisfy one or more of the Threshold Conditions and because

it is desirable to advance the Authority's operational objective of providing an appropriate degree of protection to consumers.

3 DEFINITIONS

3.1 The definitions below are used in this First Supervisory Notice:

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

"the Authority" means the Financial Conduct Authority;

the "AR" means the Firm's Appointed Representative;

"Company A" means one of the Firm's controllers;

"Director C" means the Director appointed at the Firm to replace Former Director A and Former Director B;

"Form A application" means an application submitted by an Authority authorised firm to the Authority, seeking approval on behalf of an individual to perform certain senior management functions in accordance with the SMCR;

"Former Director A" means one of the two former Directors and SMF holders at the Firm, together with Director B;

"Former Director B" means one of the two former directors and SMF holders at the Firm, together with Director A;

"Financial Services Register" means the public record maintained by the Authority;

"FSN" means First Supervisory Notice;

"the Firm" means Donre Advisory Limited;

"Group" means the corporate group in which the Firm forms a part, and also includes Company A;

"Handbook" means the Authority's online handbook of rules and guidance (as in force from time to time);

"Individual A" means one of the Firm's controllers;

"Individual B" means one of the Firm's controllers;

"MIFIDPRU" means the Prudential sourcebook for MiFID Investment Firms in the Handbook;

"Requirements" means the terms imposed on the Firm by this First Supervisory Notice as outlined in section 1 above;

"SIPP" means a self-invested personal pension;

The "SIPP Operator" means another Authority authorised firm that has permission to establish, operate, and wind up a personal pension scheme, and in respect of which the Firm owns share capital and is controller;

"SMCR" means the Senior Managers and Certification Regime;

“SMF” means senior management function holder;

“SUP 15 notification” means a notification to the Authority in accordance with the rules and guidance contained in the Supervision sourcebook of the Handbook;

“Threshold Conditions” are the minimum requirements that firms need to meet in order to be authorised and to continue carrying on regulated activities as set out in Schedule 6 to the Act;

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

“VREQ” means a voluntary application by a firm for the imposition of requirements on its regulatory permission.

4 FACTS AND MATTERS

Background

- 4.1 The Firm was incorporated on 16 October 2009. On 24 April 2024, the Firm’s name was changed to Donre Advisory Limited.
- 4.2 The Firm was authorised by the Authority on 13 April 2010 and has a range of permissions to advise on and arrange deals in investments (including defined benefit pension transfers), and to advise on and arrange regulated mortgage contracts. The Firm is a MIFIDPRU investment firm and a core SMCR firm. It does not have permission to hold or control client money.
- 4.3 The Firm is a principal for the AR, which provides defined benefit pension transfer advice.
- 4.4 On 15 October 2020, the Firm acquired the share capital and became the controller of the SIPP Operator, another Authority authorised firm that has permission to establish, operate, and wind up a personal pension scheme. **The SIPP Operator operates SIPPs for approximately 5,600 clients, with £1.2bn assets under administration.**
- 4.5 From August 2022, the Firm had two directors, Former Director A and Former Director B. Between them, Former Director A and Former Director B held the SMF3, SMF16, SMF17 functions.
- 4.6 On 24 December 2018, the Firm underwent a change in control and became part of the Group. Other entities within the Group also provide pensions advisory and investment management services in various jurisdictions.
- 4.7 The Firm’s controllers include Company A, Individual A and Individual B.

Failings and risks identified

- 4.8 The Authority was notified by the Firm on 8 November 2023 that, due to issues relating to the financial position of the Group, the Firm may breach its fixed overhead requirement in certain circumstances.
- 4.9 A change in control notification was submitted in respect of the Firm on 5 December 2023, which proposed that all of the shares in the Firm would be purchased by a third-party. The Authority was informed as part of this application that the proposed new controller would introduce capital to the Firm to prevent it from breaching the

Firm's own funds requirement. This change in control application was subsequently withdrawn in March 2024.

- 4.10 On 4 March 2024, the Firm notified the Authority that, on 29 February 2024, it had breached its own funds threshold requirement. It stated that it held own funds of £64,374 against an own funds threshold requirement of £73,759.
- 4.11 On 29 April 2024, the Firm submitted its "MIF001 – Own Funds" regulatory return for the period ending 31 March 2024, detailing that it held negative £43,000 of own funds, against an own funds threshold requirement of £60,000. The own funds threshold requirement is the amount of own funds a firm needs to hold at any given time to comply with the overall financial adequacy rule (MIFIDPRU 7.6.4G).
- 4.12 On 9 May 2024, the Authority held a call with the Firm. During the call, the Authority was informed that certain of the Firm's controllers had spoken with the Former Directors and proposed to Former Director A and Former Director B that the Firm should undertake additional business activities. The Authority was informed by the Firm that Former Director A and Former Director B had indicated to the Firm's controllers that they would not undertake these activities. The Firm also informed the Authority that the controllers had, in response, stated that they would remove Former Director A and Former Director B should they decide not to facilitate the controller's proposals. Due to the uncertainty regarding the apparent engagement between the Former Directors and the Firm's controllers, during the call on 9 May the Authority discussed with the Firm the possibility of the Firm applying to have certain voluntary requirements imposed on its Part 4A permission.
- 4.13 On 9 May 2024, the Authority provided draft requirements to the Firm for consideration. The draft requirements included requirements that the Firm retain assets and stop accepting new business.
- 4.14 At 3pm on 13 May 2024, Former Director A responded to the Authority on behalf of the Firm, proposing a suggested amendment to the draft requirements. At 7.40pm on 13 May 2024, the Firm then informed the Authority that the Firm's shareholder had amended the Firm's articles of association and had removed Former Director A and Former Director B as directors and Senior Managers of the Firm with immediate effect.
- 4.15 In place of Former Director A and Former Director B, Director C was appointed as a director of the Firm on 13 May 2024. The Authority notes that, under the Firm's articles of association, two directors are required for any director meetings to be quorate. Director C does not have approval by the Authority to perform a Senior Management Function and no application relating to Director C in this regard has been made as at the date of this Notice.
- 4.16 On 16 May 2024, in response to an email to the Firm, the Authority received an email from Former Director A, copying in Director C. Former Director A stated that they were assisting Director C to access the Authority's Connect system so that Director C could submit a Form A application for each of the SMF3, SMF16 and SMF17 functions at the Firm. Director C also sent an email to the Authority explaining that they would be in further contact with the Authority as soon as they had a Firm email account set up, hopefully later that day.
- 4.17 As at the date of this Notice, no further contact or Form A application for Director C to hold Senior Management Functions had been received by the Authority.
- 4.18 On 16 May 2024, the Authority received a SUP 15 notification from the SIPP Operator that it had been informed by Individual B that it was intended that the

Firm would appoint three new directors, including Director C, to the SIPP Operator's board imminently and that the current SIPP Operator's directors should "expect to hear from" Director C in the week commencing 20 May 2024. The SUP 15 notification also states that "Individual B also informed [the SIPP Operator's directors of [their] intention to sell [the SIPP Operator's business".

- 4.19 Supervision considers that there is therefore a significant risk, based on the SUP 15 notification received from the SIPP Operator, that the Firm will seek to appoint new directors to the SIPP Operator imminently and take steps to sell the SIPP Operator's business. The Authority understands this to mean that the Firm would take such steps in its capacity as shareholder of the SIPP Operator. This is despite the fact that none of the current directors of the Firm hold Senior Management Functions at the Firm and despite the fact that any new directors of the SIPP Operator would also require approval to perform executive director-level functions from the Authority (as SMF3).
- 4.20 The Authority designates these functions as Senior Management Functions so that it knows who a firm's most senior decision makers are, can assess their expertise, skills and experience as against the role they seek to hold, and to make sure firms clearly allocate responsibilities to those individuals. Anyone who performs an SMF needs to be approved by the Authority.
- 4.21 On 16 May 2024, the SIPP Operator signed a VREQ under section 55L of the Act, which imposed restrictions on the SIPP Operator's assets and on the SIPP Operator's board's ability to appoint or remove directors without the prior written consent of the Authority.

5 CONCLUSION

- 5.1 The regulatory provisions relevant to this First Supervisory Notice are set out in the Annex.

Analysis of failings and risks

- 5.2 The Authority considers that the Firm is failing to satisfy Threshold Conditions as set out in COND 2.3.1A and COND 2.4.1A.

COND 2.3 – Effective supervision

- 5.3 COND 2.3.1A sets out that a Firm must be capable of being effectively supervised, including in the way that its business is organised. Following the removal of the previous directors, the Firm lacks any individuals holding approval from the Authority to perform a Senior Management Function role.
- 5.4 The Authority is currently not able to assess whether Director C has the necessary skills, expertise or experience to perform a senior management function, nor any evidence to assess which functions they might be suitable to perform if they do possess such experience. Whilst the Firm and Director C appear to be taking some steps that might indicate they are seeking to apply for Director C to be approved, without any approved Senior Managers with whom to engage until this position is resolved, the Authority considers the Firm is not capable of being effectively supervised.
- 5.5 COND 2.3.1A also states the Authority will have regard to whether a Firm's membership of a group is likely to prevent effective supervision. Given the short notice removal of Former Director A and Former Director B by the Firm's controllers,

without prior notification to the Authority, the Authority considers the Firm's membership of the Group is now likely to prevent its effective supervision of the Firm.

- 5.6 As the Firm is no longer capable of being effectively supervised, it should not be undertaking any regulated activity.

COND 2.4 – Appropriate financial resources

- 5.7 COND 2.4.1A states a firm's resources must be appropriate in relation to the regulated activities that it carries on.
- 5.8 Under MIFIDPRU 7.4.7R, the Firm must, at all times, hold own funds to meet the overall financial adequacy rule. As the Firm has reported own funds of negative £43,000 and has an own funds threshold requirement of £60,000, it has an own funds deficit of approximately £103,000 and is therefore failing to meet this requirement.
- 5.9 The overall financial adequacy rule is in place to ensure that firms hold own funds and liquid assets to remain financially viable throughout the economic cycle, with the ability to address any material potential harm that results from its ongoing activities and to be able to wind down in an orderly manner (MIFIDPRU 7.4.7R). The rule establishes the standard to determine whether MIFIDPRU investment firms have adequate financial resources (MIFIDPRU 7.4.8G).
- 5.10 In this case, the Authority considers that as the Firm is not complying with the overall financial adequacy rule, it is not appropriately able to manage the incidence of risk in connection with its business. As a result, it is not maintaining adequate financial resources under COND 2.4.1A.

COND 2.4 – Appropriate non-financial resources

- 5.11 COND 2.4.1A also requires firms to maintain adequate non-financial resources, which includes having regard to the skills and experience of those who manage a firm's affairs. As stated above, the Firm currently lacks any Senior Managers in what are designated functions. As above, the Authority has not been able to consider Director C's skills or experience or suitability for holding Senior Management Functions at the Firm. The Firm has not communicated to the Authority in respect of how it plans to manage its business and the risks to which it is faced following the changes to the Firm's directors. There is no evidence to suggest that the removal of the previous directors (including as SMFs) was unforeseen, and their absence is not temporary given the steps taken. The Authority does not consider that the circumstances, as currently understood, make any proposed use of the '12-week rule' (SUP 10C.3.13R) appropriate. In any case, the Firm has not communicated to the Authority the ways in which it proposes that Director C will discharge his functions on behalf of the Firm.
- 5.12 In view of these matters, the Authority does not consider that the Firm is maintaining adequate non-financial resources. As the Firm does not have adequate resources, it should not be undertaking any regulated activity.

Consumer Protection

- 5.13 As the Authority considers that the Firm is no longer capable of effective supervision, and in the absence of appropriate financial and non-financial resources at the Firm, the Authority also considers its operational objective to secure an adequate degree of consumer protection is engaged.

- 5.14 The SIPP Operator's SUP 15 notification of 16 May 2024 states that it had been informed that it was shortly to have three new directors appointed to the SIPP Operator's board and that Individual B intended to sell the SIPP Operator's business. In the circumstances, any such changes to the SIPP Operator's board would need to be made by the Firm as the SIPP Operator's controller. The Authority is concerned by the timing of the proposed changes to the SIPP Operator (particularly having regard to their materiality), very shortly after the removal of the Firm's directors and when no SMF is in role at the Firm to oversee this and to ensure that such actions have proper regard for the Firm's regulatory obligations. The SIPP Operator has significant numbers of customers and assets under administration, and decisions relating to its management and assets ought to be taken with proper care. A failure to do so, which the Firm is unable to adequately mitigate against given its lack of senior managers, may risk causing significant harm to consumers.
- 5.15 The Authority considers that the Requirements are a proportionate and appropriate means to address the current and immediate risks, and are desirable in order to advance the Authority's operational objective of consumer protection.

Timing and duration of the Requirements

- 5.16 It is necessary to impose the Requirements immediately given the seriousness of the risks and the need to protect consumers.
- 5.17 The Authority considers that it is necessary for the Requirements to remain in place indefinitely and until such time as the Authority is satisfied that the risks that the Requirements seek to address are appropriately mitigated.

6 PROCEDURAL MATTERS

Decision-maker

- 6.1 The decision which gave rise to the obligation to give this First Supervisory Notice was made by an Authority staff member under executive procedures according to DEPP 2.3.7G and DEPP 4.1.7G.
- 6.2 This First Supervisory Notice is given under section 55Y(4) and in accordance with section 55Y(5) of the Act.
- 6.3 The following statutory rights are important.

Representations

- 6.4 The Firm has the right to make written representations to the Authority (whether or not it refers this matter to the Tribunal). The Firm may also request to make oral representations, but the Authority will only consider this in exceptional circumstances according to DEPP 2.3.1AG. The deadline for providing written representations and notifying the Authority that the Firm wishes to make oral representations is 5 June 2024. Any notification or representations should be sent to the Executive Decision-Making Secretariat (EDMCaseInbox@fca.org.uk).

The Tribunal

- 6.5 The Firm has the right to refer the matter to which this First Supervisory Notice relates to the Tribunal. The Tax and Chancery Chamber is part of the Tribunal which, amongst other things, hears references arising from decisions of the

Authority. Under paragraph 2(2) of Schedule 3 of the Tribunal Procedure (Upper Tribunal) Rules 2008, the Firm has 28 days from the date on which this First Supervisory Notice is given to it to refer the matter to the Tribunal.

- 6.6 A reference to the Tribunal can be made by way of a reference notice (Form FTC3) signed by or on behalf of the Firm and filed with a copy of this First Supervisory Notice. The Tribunal's contact details are: The Upper Tribunal, Tax and Chancery Chamber, 5th Floor, Rolls Building, Fetter Lane, London EC4A 1NL (telephone: 020 7612 9730; email: uttc@hmcts.gsi.gov.uk).
- 6.7 Further information on the Tribunal, including guidance and the relevant forms to complete, can be found on the HM Courts and Tribunal Service website: <http://www.justice.gov.uk/forms/hmcts/tax-and-chancery-upper-tribunal>
- 6.8 The Firm should note that a copy of the reference notice (Form FTC3) must also be sent to the Authority at the same time as a reference is filed with the Tribunal. A copy of the reference notice should be sent to the Executive Decision-Making Secretariat (EDMCaseInbox@fca.org.uk).

Confidentiality and publicity

- 6.9 The Firm should note that this First Supervisory Notice may contain confidential information and should not be disclosed to a third party (except for the purpose of obtaining legal advice on its contents).
- 6.10 The Firm should note that section 391(5) of the Act requires the Authority, when the First Supervisory Notice takes effect, to publish such information about the matter to which the notice relates as it considers appropriate.

Authority contacts

- 6.11 Any questions regarding this matter generally or the executive procedures decision-making process should be directed to the Executive Decision-Making Secretariat (EDMCaseInbox@fca.org.uk).

Head of Department, Consumer Investments

Annex

RELEVANT STATUTORY PROVISIONS

1. The Authority's operational objectives established in section 1B of the Act include securing an appropriate degree of protection for consumers and protecting and enhancing the integrity of the UK financial system.
2. Section 55L of the Act allows the Authority to impose a new requirement on an authorised person if it appears to the Authority that the authorised person is failing, or likely to fail to satisfy the Threshold Conditions (section 55L(2)(a)), or it is desirable to exercise the power in order to advance one or more of the Authority's operational objectives (section 55L(2)(c)).
3. Section 55N of the Act allows a requirement to be imposed under section 55L of the Act so as to require the person concerned to take specified action (section 55N(1)(a)), or to refrain from taking specified action (section 55N(1)(b)).
4. Section 55Y(3) of the Act allows a requirement to take effect immediately (or on a specified date) if the Authority, having regard to the ground on which it is exercising its own-initiative power, reasonably considers that it is necessary for the requirement to take effect immediately (or on that date).
5. Section 391 of the Act provides that:

"[...]

(5) When a supervisory notice takes effect, the Authority must publish such information about the matter to which the notice relates as it considers appropriate.

(6) But the Authority may not publish information under this section if in its opinion, publication of the information would, be unfair to the person with respect to whom the action was taken or proposed to be taken [or] prejudicial to the interests of consumers or detrimental to the stability of the UK financial system.

(7) Information is to be published under this section in such manner as the Authority considers appropriate."

RELEVANT REGULATORY PROVISIONS

The Enforcement Guide

6. The Authority's approach in relation to its own-initiative powers is set out in Chapter 8 of the Enforcement Guide (EG), certain provisions of which are summarised below.
7. EG 8.1.1 reflects the provisions of section 55L of the Act by stating that the Authority may use its own-initiative power to impose requirements on an authorised person where, amongst other factors, the person is failing or is likely to fail to satisfy the threshold conditions for which the Authority is responsible (EG 8.1.1(1)), or it is desirable to exercise the power in order to advance one or more of its operational objectives (EG 8.1.1(3)).
8. EG 8.2.1 states that when the Authority considers how it should deal with a concern about a firm, it will have regard to its statutory objectives and the range of regulatory tools that are available to it. It will also have regard to the principle that a restriction imposed on a firm should be proportionate to the objectives the Authority is seeking to achieve (EG 8.2.1(2)).

9. EG 8.2.3 states that in the course of its supervision and monitoring of a firm or as part of an enforcement action, the Authority may make it clear that it expects the firm to take certain steps to meet regulatory requirements. In the vast majority of cases the Authority will seek to agree with a firm those steps the firm must take to address the Authority's concerns. However, where the Authority considers it appropriate to do so, it will exercise its formal powers under section 55L of the Act to impose a requirement to ensure such requirements are met. This may include where, amongst other factors, the Authority has serious concerns about a firm, or about the way its business is being or has been conducted (EG 8.2.3(1)), or is concerned that the consequences of a firm not taking the desired steps may be serious (EG 8.2.3(2)).
10. EG 8.3.1 states that the Authority may impose a requirement so that it takes effect immediately or on a specified date if it reasonably considers it necessary for the requirement to take effect immediately (or on the date specified), having regard to the ground on which it is exercising its own-initiative powers.
11. EG 8.3.2 states that the Authority will consider exercising its own-initiative power where: 1) the information available to it indicates serious concerns about the firm or its business that need to be addressed immediately; and 2) circumstances indicate that it is appropriate to use statutory powers immediately to require and/or prohibit certain actions by the firm in order to ensure the firm addresses these concerns.
12. EG 8.3.3 states that it is not possible to provide an exhaustive list of the situations that will give rise to such serious concerns, but they are likely to include one or more of four listed characteristics, these include: 1) information indicating significant loss, risk of loss or other adverse effects for consumers, where action is necessary to protect their interests; 2) information indicating that a firm's conduct has put it at risk of being used for the purposes of financial crime, or of being otherwise involved in crime; 3) evidence that the firm has submitted to the Authority inaccurate or misleading information so that the Authority becomes seriously concerned about the firm's ability to meet its regulatory obligations; 4) circumstances suggesting a serious problem within a firm or with a firm's controllers that calls into question the firm's ability to continue to meet the threshold conditions.
13. EG 8.3.4 states that the Authority will consider the full circumstances of each case when it decides whether an imposition of a requirement is appropriate and sets out a non-exhaustive list of factors the Authority may consider, these include:
 - (1) The extent of any loss, or risk of loss, or other adverse effect on consumers. The more serious the loss or potential loss or other adverse effect, the more likely it is that the FCA's exercise of own initiative powers will be appropriate, to protect the consumers' interests.
 - (4) The seriousness of any suspected breach of the requirements of the legislation or the rules and the steps that need to be taken to correct that breach.
 - (5) The financial resources of the firm. Serious concerns may arise where it appears the firm may be required to pay significant amounts of compensation to consumers. In those cases, the extent to which the firm has the financial resources to do so will affect the FCA's decision about whether exercise of the FCA's own-initiative powers is appropriate to preserve the firm's assets, in the interests of the consumers. The FCA will take account of any insurance cover held by the firm. It will also consider the likelihood of the firm's assets being dissipated without the FCA's intervention, and whether the exercise of the FCA's power to petition for the winding up of the firm is more appropriate than the use of its own-initiative powers.

(8) The firm's conduct. The FCA will take into account:

- (a) whether the firm identified the issue (and if so whether this was by chance or as a result of the firm's normal controls and monitoring);
- (b) whether the firm brought the issue promptly to the FCA's attention;
- (c) the firm's past history, management ethos and compliance culture;
- (d) steps that the firm has taken or is taking to address the issue.

14. EG 8.3.4(9) includes the impact that use of the Authority's own-initiative powers will have on the firm's business and on its customers. The Authority will need to be satisfied that the impact of any use of the own-initiative power is likely to be proportionate to the concerns being addressed, in the context of the overall aim of achieving its statutory objectives.