

[News story: The Insolvency Service newsletter: winter 2017](#)

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Part of:

In our Winter newsletter we look how insolvency forms are changing, welcome our newly appointed chairman, directors and criminal enforcement team, and put the spotlight on our work with the Home Office to disqualify the directors of companies employing illegal workers.

The [Winter 2017 edition](#) of our quarterly stakeholder newsletter is now available.

The newsletter explains what we are doing to strengthen the insolvency regime, improve our services and provides updates on important developments.

You can also:

[Press release: Defence Secretary confirms £1.7bn investment in Scottish military bases](#)

Sir Michael Fallon outlined how Scotland will be home to several additional key Defence capabilities by 2020 to the Board and recognised its unique contribution to UK national security.

Defence Secretary Sir Michael Fallon said:

Scotland is on the frontline of defending the United Kingdom from growing threats at sea, in the air, and on land. Our commitment to the future of defence in Scotland is underlined by increasing investment in better infrastructure for the Armed Forces helping to keep us safe.

Scotland's 14,000 military regular and reserve personnel and 3,930 MOD

civilians are set to benefit from:

- £1.3 billion investment into upgrades to HM Naval Base Clyde's waterfront, engineering support, accommodation and physical security ahead of the Dreadnought class of deterrent submarines arriving in Scotland from the early 2030s;
- £400 million investment at Lossiemouth as one of the RAF's three fast jet bases – upgrading its runways, taxiways and accommodation for the nine new Poseidon P-8 Maritime Patrol Aircraft and an additional Typhoon squadron;
- Being home to a versatile Army Adaptive Force Brigade, which specialises in operations, works alongside partner nations abroad, and provides resilience support to Scottish civil authorities and communities. Further, Leuchars Station will be expanded to become the main 'hub' for Army activity in Scotland.

The £178 billion Defence equipment programme supports 11,000 Scottish industry jobs and accounts for over 10% of the country's industrial base.

Scottish business is developing key military capabilities: the Queen Elizabeth Carriers being built in Rosyth; Offshore Patrol Vessels and Type 26 Global Combat Ships being built in Govan and Scotstoun; a new Active Electronically Scanned Array Radar for RAF Typhoons being built in Edinburgh.

[Press release: Payback for illegal waste crimes](#)

A skip hire boss has been found to have benefited from his illegal activity by almost £1million.

Raymond Shepherd could have to pay back £980,207 under the Proceeds of Crime Act – the agreed sum of his criminal activities – if he comes into future assets.

It's a debt for life for the 61-year-old, of Rookhope in County Durham. He ran Albert Hill Skip Hire in Darlington and was jailed for 18 months when he appeared at Teesside Crown Court for sentence on December 12, 2013.

He was also disqualified from being a company director for 10 years.

He was convicted following two separate trials of operating a waste facility without a permit, depositing waste without a permit and failing to comply with a suspension notice.

Environment Agency officers then began proceedings to make him pay back a sum of money which reflected the gain from his criminal activities.

Court hearing

On Thursday 23 February, following a 4-day confiscation hearing at Teesside Crown Court under the Proceeds of Crime Act, Shepherd was given a confiscation order to pay back £14,000 of available assets.

He could face up to six months in prison if he fails to pay.

And if he comes into future assets he will have to pay back more of the near £1million agreed benefit sum.

Shepherd contested the application arguing that the activities at the sites were carried out lawfully.

The result comes on the back of a large-scale investigation by the Environment Agency, called Operation Bachelor, which started in 2008. It has also resulted in two other men receiving suspended prison sentences and Albert Hill Skip Hire Ltd being fined £100,000.

A previous Proceeds of Crime hearing in August 2015 in relation to the same investigation saw Shepherd's son, Tony Shepherd, 41, of Winston, Darlington, ordered to pay back £350,000.

He was subsequently jailed for 3 years in May 2016 for failing to pay the sum. He still has to pay back the money, and potentially up to £1.2 million if he comes into future assets.

Debt 'will follow' Shepherd

Oliver Harmar, Area Director for the Environment Agency in the North East, said:

This is a debt that will follow Raymond Shepherd around for the rest of his life. It sends out a message to the industry that waste crime does not pay and not only will we hit people with court action but we'll then hit them in the pocket.

Shepherd's illegal waste operations were carried out in the interests of profit, unfortunately at the expense of the environment. Not to mention by not complying with regulations, he undermined legitimate businesses.

And the impact on the community must not be overlooked, including two major fires which took place at Dodsworth Street. The site is now cleared of waste.

It's been an extensive and long-running investigation by our officers and shows just how seriously we take waste crime. We'll continue to take action against those operating outside of the law and the regulations.

Long-running investigation

The Environment Agency worked closely with other organisations including Durham County Council, Darlington Borough Council, Durham Police, Durham and Darlington Fire and Rescue Service and the Health and Safety Executive during the long-running investigation.

The jurors at Raymond Shepherd's trials heard how the company's premises at Dodsworth Street were full with illegally-held waste.

Between July 2008 and May 2010 he and his company, Albert Hill Skip Hire Ltd, operated an illegal waste transfer station at Whessoe Road in Darlington.

He did the same at Dodsworth Street from July 2008 until the site got a permit in April 2009, but by November 2009 the first enforcement notice had been served on the company requiring that he operate legally within the terms of his notice.

In 2010 enforcement notices were served, in 2011 a suspension notice was served and in 2012 the permit was revoked. Investigations found the company had been depositing and storing waste on an access road, and cement-bound asbestos was also found on the site.

Following conviction, the waste carrier's registration was revoked. The site is now clear of all waste.

[News story: Regulator warns charities against the use of cash couriers](#)

The Charity Commission, the independent regulator of charities in England and Wales, is issuing this alert to charities as regulatory advice under section 15(2) of the Charities Act 2011 – it is particularly relevant for trustees of charities and charitable appeals which are operating overseas.

Following a number of recent cases involving the seizure of charitable funds held as cash by the police and officers of UK ports, the Charity Commission ('the Commission') has published this alert. The Commission has done this in collaboration with its partner S015 Counter Terrorism Command, Metropolitan Police Service ('S015'). This alert is being published so as to raise awareness amongst charities – including their trustees, employees and volunteers – of the risks regarding cash couriers.

Over the last 2 years S015 seized in the region of £4 million at ports under the Proceeds of Crime Act 2002 ('POCA') and the Terrorism Act 2000 ('TACT') and continue to be very active in the detection and seizure of illicit cash. These totals include a number of seizures of cash being carried by

representatives of charities, and individuals claiming that cash was charitable; in recent months the Commission has received an increased number of enquiries from the police regarding individuals who have stated that they are carrying cash on behalf of a charity.

Michelle Russell, Director of Investigations, Monitoring and Enforcement, said:

The Commission has seen an increase in the number of charities having cash seized from their fundraisers, agents and representatives at the UK border. The effects of a cash seizure include the charities' beneficiaries losing out, an impact on the charities' activities and the loss of donor money – including the permanent loss of funds. The Commission's advice is simple: don't use cash couriers unless there is no other possible means of moving money – follow the regulatory advice issued today.

Commander Dean Haydon, S015 Counter Terrorism Command, Metropolitan Police Service said:

I welcome the Commission's alert – cash couriering is a high risk activity for any organisation or individual to undertake, and is a method known to be used by terrorists and criminals. My advice to all charities is to send money safely and not to use a cash courier; if you do there is a real risk that without proper documentation and a clear explanation of the source and destination of the cash, the cash will be seized by the police and ultimately lost to the charity.

The Commission strongly advises charities against the use of cash couriering as a method to transfer charitable cash due to the risks involved. These include:

1. Cash couriering is known to be used by terrorist and criminal organisations to move money.
2. If the police or ports officers are not satisfied that the source or end use of the cash being couriered can be accounted for it is likely to be seized under TACT or POCA. Cash seized can then be forfeited by the courts on successful application.
3. Even if, after cash has been seized, a charity manages to secure the return of the seized cash it will likely take a significant amount of time, inconvenience and cost, to a charity's detriment.
4. Carrying a significant amount of cash on their person is likely to make

a cash courier a target for criminals, risking both the loss of a charity's cash, and the safety of the individual carrying the cash. Insurance to cover these risks would be essential but costly.

5. Cash couriership is difficult to audit and to have adequate records and evidence of expenditure.
6. There is no requirement for cash couriers to be registered as a Money Service Business with HMRC so there is less assurance about their quality and reliability.

The Commission recognises that charities which work or support activities internationally need to move money across international borders. Most countries have formal banking systems in place. Using formal banking systems is a prudent and responsible way to ensure that charity funds are safeguarded, and that there are appropriate audit trails of the sort which trustees must keep for the receipt and use of money. This is the case even if transferring funds through such channels incurs an administrative cost to the charity. The Commission's position is that formal banking systems should always be used where they exist as they provide the safest and most auditable means of transferring charitable funds. The Commission would remind trustees considering the use of a cash courier of their duty to account for their charity's income and expenditure by maintaining and preserving accounting records and to act prudently and responsibly to safeguard their charity's assets.

The Commission accepts that in exceptional circumstances, where other means of transferring funds are not available, that cash couriership may be the only option available. In such circumstances, the Commission expects as a minimum that the trustees will have put in place the following safeguards:

1. Obtaining insurance in the event of loss of the cash being couriersed – individual travel insurance may not provide adequate cover.
2. The cash courier carries documents evidencing the source and destination of the funds and their association with the charity.
3. Charity records such as trustee meeting minutes recording the trustees' decision to use a cash courier and a detailed risk assessment including the use of a cash courier, the particular context such as the country the cash will be transferred to, and the value of cash to be transferred in relation to the size of the charity's total income are maintained.
4. Ensure that cash being transferred with a value of €10,000 or above is declared to the authorities. This can now be done before you go, online at <https://www.gov.uk/bringing-cash-into-uk>. Alternatively, it must be

declared at the port. Amounts of cash being carried under €10,000 can still be seized by the police or ports officers even though they legally do not have to be declared.

5. Contacted the police for advice as appropriate, including notifying the police in advance of plans to courier cash. S015 officers working at ports are available on 07775036444.
6. That the safety of the individual carrying the funds has been considered, assessed and managed.
7. When using an agent or partner ensure that appropriate due diligence is carried out on the cash courier, and that reasonable steps are taken to safeguard the money. As a minimum, we would expect trustees to have agreed in writing what is expected from the agent, how much money is being carried and in what currency, when it is to arrive by, and who it is to be paid to and how at the end destination. This should be in place and agreed before the money is handed over. The Commission produces a template [Cash Courier agreement form](#).

Reporting concerns to the Commission

The Commission expects trustees to ensure that any loss or seizure of their charity's cash is reported to it under the Commission's [Serious Incident Reporting framework](#).

In summary, the Commission's regulatory advice for charity trustees is:

- do not use cash couriers; they should only be used if there are exceptional reasons for doing so
 - promptly report any loss or seizures of charity cash to the Commission as a [Serious Incident](#)
 - if cash couriers are used the trustees must have clearly recorded their decision making and completed a thorough, documented, risk assessment, and have an agreement in place with the cash courier
 - if you use a cash courier you must have clear documentation about the origin and destination of the cash or risk it being seized by the police or ports officers
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Press release: New measures to protect against Avian Flu

The Government Chief Vet has confirmed new measures to protect against avian flu that take a more targeted approach to controlling the disease.

Following plans set out earlier this month, all poultry keepers across England [must continue to observe strict biosecurity measures, with housing or netting required in higher risk areas.](#)

This approach is based on the current situation and the latest veterinary advice, which concludes that it is the best option to control disease, protect birds' welfare and ensure consumers can buy free range products.

This new approach will apply from 28 February, when the current prevention zone expires. It gives most keepers the option to let birds outside whilst still taking reasonable precautions against avian flu. The ban on poultry gatherings remains in force.

All poultry keepers – whether they keep a commercial flock or a few chickens in their back garden – must continue to practise strict disease prevention measures, following Defra's guidance to take steps to reduce the risk of infection via the environment.

Chief Veterinary Officer Nigel Gibbens said:

Effective disease control will always be our priority. H5N8 continues to circulate in wild birds and we must all continue to do everything we can to reduce the risk of disease. All keepers across the country must follow strict mandatory disease prevention measures.

Based on clear scientific evidence, the risk from wild birds is too high in some areas of England to rely on biosecurity measures alone. That's why we are requiring birds in Higher Risk Areas to be housed or protected from wild bird contact by netting.

We believe this is the best approach to control disease, protect birds' welfare and ensure consumers can buy free range products. As with any disease control measures these will be kept under review based on the latest situation and up-to-date scientific advice.

The risk of disease across the country remains high and measures are likely to be in place until at least the end of April.

The advice from Public Health England is that the risk to public health is very low and the Food Standards Agency has said there is no food safety risk for consumers.

What poultry keepers must do

H5N8 is spread from wild birds, as well as from infected kept birds, which is why people who keep poultry are currently required to take action to try to avoid contact between poultry and wild birds – either direct, bird-to-bird contact, or indirect contact via the environment, where disease can be spread through things like contaminated bird droppings.

The best way to avoid contact between poultry and wild birds is to keep them housed in a suitable building. However, the new targeted approach is designed to give keepers options and allow free range production to continue.

- Keepers in higher risk areas must continue to keep birds housed or netted. This is because, based on extensive scientific advice, we believe the risk from wild birds in these areas to be higher. These areas are close to large bodies of water where wild waterfowl congregate. We have published a paper outlining the rationale behind these areas and you can see if you are in one using our [interactive map](#).
- All other keepers can choose to continue to house birds or let birds outside into fenced areas, but must follow strict Defra guidance to reduce the risk of infection. This includes a risk assessment to check that outside areas are not contaminated and the risk of contact with wild birds is low. If you have any concerns you should continue to house your birds or keep them in covered runs or netted areas.

The H5N8 strain of the disease has been confirmed at a poultry farm in Suffolk, three linked premises on a commercial game farm in Lancashire, three separate poultry farms in Lincolnshire and in backyard flocks in North Yorkshire and Carmarthenshire. Where avian flu is confirmed, we take swift action to limit the spread of disease with restrictions around affected premises and full investigations to determine the source of infection. Further details of these cases are available in our [rolling news story](#).

Background

1. This announcement follows [plans set out earlier this month](#).
2. Keepers can find out if they are in a Higher Risk Area using our [interactive map](#).
3. Keepers should read our [guidance on what they must do under the new Prevention Zone](#).
4. Read [Defra's rationale for Higher Risk Areas in England from 28 February](#).

5. For further information on what the new Prevention Zone means for poultry keepers, contact the Defra helpline on 03459 33 55 77.