## Regulator finds governance failures by the trustees of former Lancashire charity To Inspire

However, the Commission found no evidence funds were misappropriated.

To Inspire initially operated from Chaigley Manor in the Ribble Valley. The charity's purposes included providing support for children and young people in financial need, with a preference given to those living in the Borough of Hyndburn, Lancashire.

In 2001 the trustees sold Chaigley Manor for £625,000. There was considerable local interest in this decision as Chaigley Manor had been used and supported by people in Hyndburn since 1927. Funds from the sale were put into a trust fund and for a number of years only the annual interest from this was used to fund the charity's activities. This changed in 2009 when the charity approached the Charity Commission requesting revisions to the charity governing document. These were agreed and included widening the charity's objects allowing it to provide facilities for recreation.

From 2011, and from the point at which the charity moved to Stephen Park, the charity ran an outdoor leisure and activity centre in Gisburn Forest.

The Commission opened a compliance case into the charity in response to concerns about To Inspire's governance, how the proceeds of the sale of Chaigley Manor had been used, whether robust financial controls were in place and whether funds may had been misappropriated.

The Commission found no evidence that any funds were misapplied or misappropriated but the trustees failed to meet the governance standards expected of them from when the charity moved to Stephen Park. The trustees relied on information provided by an employee without any verification and had insufficient oversight of the charity's finances.

This lack of financial control and oversight by the trustees led to poor decision-making such as their failure to submit their accounts. Between 2012 and 2019 the trustees breached a legal duty to submit their financial information to the Commission, and this lack of transparency contributed significantly to the local concerns. The Commission's view is that, had the charity published this information, donors, beneficiaries, and others would have been able to understand the charity's activities, operating status and how the proceeds of the sale of Chaigley Manor were applied.

The Commission also found:

 When the charity moved to Stephen Park, money from the proceeds of sale from Chaigley Manor were applied towards the upkeep and development of that property as well providing activities at the site

- Activities for young people were provided at Stephen Park in line with the objects of the charity
- The charity effectively stopped operating in early 2015 after the majority of the funds received from the sale of Chaigley Manor had been spent.

As the charity was no longer operating, the Commission during 2019 provided advice and guidance to ensure the remaining funds were applied correctly. These instructions were not adhered to by the trustees, requiring the Commission to use its powers to ensure that the remaining £7,347 was transferred to another charity for the benefit of young people in the Hyndburn area.

To Inspire has now been removed from the register.

Tracy Howarth, Assistant Director of Casework at the Charity Commission, said:

The public rightly expects charities to make a real positive difference for the people they help or the cause they pursue. To Inspire, formerly Chaigley Trust, was launched in Hydnburn in 1927 to help children and young people and was well-loved and supported by the community over decades.

Unfortunately, the trustees failed to provide either the effective governance or financial oversight of their charity after they moved to Stephen Park. In doing so, the trustees let down their beneficiaries and people who cared about and supported the charity in the local area. This situation was made worse by the trustees' failure to be transparent about how the charity's funds were spent or communicate with the local community about its work after it moved to Stephen Park — leading to a considerable amount of worry and speculation in Hyndburn about what had happened. We hope other trustees consider this case carefully and take on board in particular the importance of continuing to communicate with the local community, even when a charity is experiencing difficulties.

#### **Ends**

#### Notes to Editors:

- 1. The Charity Commission is the independent, non-ministerial government department that registers and regulates charities in England and Wales. Its purpose is to ensure charity can thrive and inspire trust so that people can improve lives and strengthen society.
- 2. Between 2001 and 2011 the charity did not have a permanent base but continued to operate.
- 3. In 2009, the charity applied to the Commission for a scheme to change

- its governing document. These changes included changing the name to To Inspire and widening the objects of the charity to allow it to provide facilities for recreation.
- 4. Trustees have independent control over, and legal responsibility for, a charity's management and administration. Internal financial controls are essential checks and procedures that help charity trustees meet their legal duties to safeguard the charity's assets. They also ensure the quality of financial reporting, by keeping adequate accounting records and preparing timely and relevant financial information. Read further information around managing charity finances.

## Paul Sweeney has been appointed Chair of The National Lottery Community Fund's Northern Ireland Funding Committee

News story

The Secretary of State for Digital, Culture, Media and Sport has appointed Paul Sweeney as Chair of The National Lottery Community Fund's Northern Ireland Funding Committee for a term of four years from 01 June 2021.



In his early career Paul worked in the voluntary and community sector in Northern Ireland. From 1987 to 1994 he was the Director of an independent charitable trust (NIVT), which funded community-based self-help initiatives. He joined the Northern Ireland Civil Service (NICS) in 1994, initially on secondment, as an adviser on community development and reconciliation. Throughout his subsequent career in the NICS he has held a number of senior positions — Deputy Secretary in the Department for Regional Development (1999-2002); Deputy Secretary in the Office of the First and deputy First Minister (2002-2006); Permanent Secretary in the Department for Culture, Arts and Leisure (2006-2010); and Permanent Secretary in the Department of

Education (2010-2017).

Since retiring from the NICS in 2017 Paul has undertaken a trustee role in a number of non-for-profit organisations involved in regeneration, culture and young people. In his career, Paul has been privileged to witness the determination of individuals, neighbourhoods and local agencies to improve the quality of life in some of the most disadvantaged communities of Northern Ireland.

This role is remunerated at £24,000 per annum. The role is not pensionable. Expenses will be paid. This appointment has been made in accordance with the <u>Cabinet Office's Governance Code on Public Appointments</u>. The process is regulated by the Commissioner for Public Appointments. The Government's Governance Code requires that any significant political activity undertaken by an appointee in the last five years is declared. This is defined as including holding office, public speaking, making a recordable donation or candidature for election. Paul has not declared any activity.

Published 27 May 2021

# Draft legislation: The Merchant Shipping (Prevention of Air Pollution from Ships) (Amendment) Regulations 2021

I have today published as a draft the Merchant Shipping (Prevention of Air Pollution from Ships) (Amendment) Regulations 2021 and an accompanying draft Explanatory Memorandum. The draft Regulations amend the Merchant Shipping (Prevention of Air Pollution from Ships) Regulations 2008 (SI 2008/2924) to implement international air pollution standards — agreed by the International Maritime Organization (IMO) — for the control of pollutant air emissions from ships.

The draft Regulations implement several air quality measures to control sulphur and nitrogen oxide ( $SO_x$  and  $NO_x$ ) emissions from ships. These are contained in Annex VI of the International Convention for the Prevention of Pollution from Ships (MARPOL). The measures are already in force for shipping internationally, but the measures must also be incorporated into our domestic legislation to enable them to be enforced effectively. Most notably, to discourage non-compliance by foreign flagged vessels in UK waters, which would be detrimental to public health and the environment in UK coastal areas.

The draft Regulations apply the global 0.5% sulphur limit on marine fuel used by UK flagged ships operating outside European waters and prohibit ships from carrying high sulphur fuel in their fuel tanks to help compliance in international waters. They also apply the stricter  $\mathrm{NO_x}$  Tier III limit on new ships operating in 'the North Sea Emission Control Area' (including the English Channel) which came into force internationally this year. The draft Regulations also enable certain revisions to MARPOL Annex VI to be implemented more rapidly using the ambulatory reference power in section 306A of the Merchant Shipping Act 1995.

The draft Regulations are being published 28 days before they are due to be laid for approval by each House of Parliament. This is required under paragraph 14 of Schedule 8 to the European Union (Withdrawal) Act 2018 because part of the text in the 2008 Regulations which the draft Regulations amend includes amendments previously made under section 2(2) of the European Communities Act 1972. The amendments to the 2008 Regulations which were introduced under the European Communities Act were made by the Merchant Shipping (Prevention of Air Pollution from Ships) (Amendment) Regulations 2010 (SI 2010/895) and the Merchant Shipping (Prevention of Air Pollution from Ships) and Motor Fuel (Composition and Content) (Amendment) Regulations 2014 (SI 2014/3076). Further details are contained in the Annex to the draft Explanatory Memorandum.

The draft Regulations complement the government's ambition to tackle all sources of air pollution, making our air healthier to breathe, protecting nature and boosting the economy as set out in the Clean Air Strategy 2019. In July 2019, the government published the Clean maritime plan to address both air quality pollutants and greenhouse gas emissions from shipping. The plan sets out an ambitious path to the transition to zero emission shipping supporting the achievement of the legislative target for the UK to reach net zero emissions across the economy by 2050. The plan outlines government's ambitions that by 2025 all new vessels for use in UK waters are being designed with zero emissions capabilities, and that by 2035 zero emission marine fuel infrastructure (bunkering) is widely available across the UK.

See the <u>draft Regulations</u>, the accompanying <u>draft Explanatory Memorandum and</u> the Impact Assessment.

## Alok Sharma visits South East Asia and South Asia to build support for COP26 climate goals

• COP26 President-Designate to travel to Viet Nam, Indonesia and Bangladesh this week

- Meetings with senior leaders to focus on climate ambition, including a clean energy transition and efforts to help communities deal with the worst effects of climate change.
- Visit follows commitments from G7 nations to end all new finance for coal power by the end of 2021 and to increase support for countries vulnerable to climate change.

The COP26 President-Designate, Alok Sharma, will travel to Viet Nam, Indonesia and Bangladesh to strengthen support for UK COP26 climate priorities ahead of hosting the crucial UN climate change summit in Glasgow this November.

With less than six months to go before COP26, he will meet with leaders from government, business and civil society to press his personal priority for a move to global clean power, critical to limiting global temperature rise to 1.5C.

Viet Nam, Indonesia and Bangladesh are fast growing economies with significant renewable energy potential. The visit will highlight their growing leadership and how the UK Presidency will work with countries to support workers and communities to make the transition to good green jobs.

It builds on the recent Climate and Environment Ministerial meeting where, under the UK's leadership, G7 nations agreed to end all new direct government support for international coal power, and to increase support for clean energy alternatives like solar and wind.

G7 nations also agreed to work to increase the quantity of finance for climate action in order to meet the \$100bn per annum target to support developing countries. Mr Sharma will discuss the needs of countries most vulnerable to climate change, to ensure they are equipped to deal with its current and damaging effects ahead of COP26.

Preventing deforestation whilst ensuring development and trade is sustainable will also be high on the agenda, as COP26 looks to highlight the protection of nature and biodiversity as a key tool in limiting global temperature rise to 1.5C.

Ahead of his visit, Mr Sharma said:

Last week, the G7 made history with a major step forward towards consigning coal to history and moving to a decarbonised power system. But tackling the climate crisis must be a global effort, which leaves no one behind.

COP26 is our best chance of safeguarding our planet for our children, building a brighter future with greener jobs and cleaner air, and keeping the 1.5C target alive.

I look forward to discussing these shared priorities with friends across Viet Nam, Bangladesh and Indonesia, who will be crucial partners on the road to COP26.

### Notes to editors:

- 1. The UK's COP26 Forest, Agriculture and Commodity Trade (FACT) Dialogue has also taken a significant step today in bringing together countries to commit to protecting the world's forests and natural habitats from destruction.
- 2. Indonesia has been confirmed as co-chair of the FACT Dialogue with the UK, as 23 countries endorsed a joint statement committing them to working together to protect the world's precious forests while also promoting sustainable trade and supply chains of agricultural commodities. Read more and view the joint statement on GOV.UK.

### <u>Thames Water fined £4 million after</u> <u>catastrophic sewage blunder</u>

Thames Water has been fined £4 million after untreated sewage escaped from sewers below London into a park and a river.

A court heard dozens of high-priority alarms would have told staff about the incident, but were either missed or ignored, leading to pollution of a popular park, woodland and the Hogsmill River, in New Malden.

The sewage treatment works at Surbiton couldn't handle the amount of sewage produced by Storm Imogen in the winter of 2016.

Sitting at Aylesbury crown court on 26 May, Judge Francis Sheridan noted Thames Water's new commitment to improving compliance, but said that must be the norm, issuing a warning shot they will be held to this commitment in future cases.

The court was told approximately 79 million litres of sludge escaped across an area of about 6,500 square metres. It took 30 people a day for almost a month to clean-up sludge that was ankle-deep in places.

Gary Waddup, a land and water officer for the Environment Agency in south London, said:

Like similar incidents in the past few years for which they have been prosecuted, better management overall and on the night by Thames Water could have prevented this catastrophic incident.

It wasn't the first time sewage had escaped from manholes due to problems at the treatment works in Surbiton. Pollution as a result from problems at the site goes back to 2001.

The Environment Agency's enforcement action over several years and the pressure it has put on water companies has led to £30 billion of investment by the industry in water quality. This incident shows Thames Water and the industry have a lot more to do to protect the environment.

Thames Water's equipment at Hogsmill struggled under the pressure of forecast extreme weather one night 5 years ago.

Instead of the sewage being treated, pumps failed, allowing raw effluent to back up along the sewer network, bursting out of a manhole to cover an area the size of 3 football pitches.

One of Thames Water's own engineers described finding an "avalanche of foul waste" spread over Green Lane recreation ground. The sewage travelled with such force across the park and into the river, leaving thick sludge, toilet paper and wet wipes covering the riverbank, grass, shrubs and a wooded area.

Enough toilet paper to fill 2,500 refuse bags was recovered from the scene.

An investigation by the Environment Agency found things began to go wrong at the treatment plant just after midnight on 8 February 2016. The park was closed for a month during the clean-up, although some of the toilet paper swept along by the sewage was still visible in the woods months later.

A power failure triggered alarms after pumps used in the treatment of sewage stopped working. The malfunction should have been answered remotely by Thames Water staff, and an engineer sent immediately to the treatment works, which is unmanned at night.

As untreated sewage built up below ground, almost 50 warning alarms were set off over the next 5 hours. Every one was left unchecked.

It was only as dawn broke, several hours after the incident began, that a Thames Water engineer arrived at the sewage treatment works, discovering problems with sewage flow and the power supply.

With many of the pumps out of action, effluent rushed through the sewer network and out above ground, flooding the recreation area.

It took Thames Water 15 hours to report the incident to the Environment Agency, a legal requirement, and another 12 hours — by now, the morning of 9 February — before the company had any sizeable presence at the scene.

An Environment Agency investigator found a thick layer of sewage charting a course across the park and into the Hogsmill River. The water's fast flow had flushed away any evidence before his arrival.

The Hogsmill, and the almost-continuous green corridor through which it passes, is much-loved by local people as a crucial habitat for fish and wildlife as diverse as bats, water voles and kingfishers. A local community garden is watered from the chalk stream.

Sitting at Aylesbury Crown Court on 26 May, Judge Francis Sheridan fined Thames Water £4 million, ordering them to pay the Environment Agency's costs of £84,669.

Thames Water pleaded guilty to depositing sewage waste at the recreation ground in February 2016. The court also took into consideration breach of a permit regarding that incident, and discharging into the Hogsmill River in January and October 2018, and an incident in September 2019, when sewage sludge was released from Hogsmill sewage treatment works in error.

The Environment Agency charged Thames Water under sections 33 (1) (a) and 33 (6) of the Environmental Protection Act 1990; and regulations 12 (1) (b), 38 (1) (a) and 38 (2) of the Environmental Permitting (England and Wales) Regulations 2016.

This latest conviction brings the total amount of fines given to Thames Water since 2017 to £28.4 million for 10 cases of water pollution.