

[Dar Lighting fined £1.5 million for illegally preventing online price discounts](#)

The CMA has issued millions of pounds worth of fines in recent years to firms, including those in the [lighting](#) and [musical instrument](#) sectors, for preventing retailers from offering discounts online.

Most recently, in March 2022, [we fined Dar Lighting, a supplier of domestic light fittings, £1.5 million](#) for restricting the level of discounts retailers could offer to customers online.

Stopping firms from illegally preventing discounts online is becoming more and more important with online retail growing significantly in the UK in recent years. The impact of the Covid-19 pandemic has meant more people than ever before now shop online.

When online resellers have the freedom to price items independently, competition can thrive as rivals compete to offer the best deal to customers. This gives people the option to compare prices and shop around for a better deal. However, if a supplier dictates to its resellers a specific minimum price that they cannot drop below, or tries to stop them from selling at a reduced price, rival resellers are prevented from competing on price and customers lose out. This practice is known as Resale Price Maintenance (RPM) and is illegal.

What happened

Between 2017 and 2019, Dar Lighting illegally restricted resellers' freedom to offer discounts beyond a certain level online. This was even after the company received 2 separate [warning letters](#) from the CMA prior to the investigation. For ignoring these warning letters, and not taking sufficient action in response, the CMA increased Dar's fine by 35%.

Selective Distribution Agreements

Selective Distribution Agreements (SDAs) are a legitimate way for a business to make products available to a number of select retailers, who meet certain criteria. SDAs are often used to help protect the brand of a business.

However, suppliers using SDAs must never misrepresent what an SDA allows them to do. In this case, alongside its SDAs, Dar imposed restrictions on its resellers' ability to discount and, in doing so, broke the law.

Anti-discount culture

Internal communication at Dar highlights its policy of restricting

discounting online. In an internal email captured by the CMA, a Dar employee says:

“We need to focus on the websites. No ‘sales’ ‘offers’... at all.”

The following CMA evidence – a message sent by a senior employee at Dar – furthermore underlines the policy was to restrict advertising of discounts online:

“No one should be advertising 40% off...in their header. We are not a discount brand.”

During the investigation a lighting reseller told the CMA that the threat of being dropped as an approved stockist made him comply with pricing instructions.

He wrote: “... we were told not to sell any Lighting Book 2 or David Hunt products below list price... We were told if we did not adhere to this policy our account would go on hold or be closed...”

Further to this, WhatsApp messages sent by Dar to its resellers evidence instructions by Dar to retailers to increase the retail prices of its product, for example: “Can you increase the price to 325 until further notice.”

How this broke the law

Dar instructed some of its resellers not to sell below a specified price and they agreed to this.

Preventing resellers from being able to independently set their own prices and offer customer discounts is illegal.

Lessons learned from this case

- Take CMA warning and advisory letters seriously
- If you receive a CMA warning or advisory letter you should seek independent legal advice and follow that legal advice carefully
- You risk increased fines if after receiving a CMA warning or advisory letter you are later investigated and found to have broken the law
- The CMA can observe e-commerce for signs of restrictive pricing patterns – we have [online monitoring tools](#) at our disposal and have taken a number of RPM cases across different sectors in recent years
- Do not make the mistake of thinking that the CMA will not open an investigation without first having sent a warning or advisory letter – several of the CMA’s RPM investigations did not involve warning or advisory letters
- Be on high alert to anti-competitive risks in your business – take steps to ensure your business is compliant, with regular training
- Never try to misuse an SDA to try and dictate the prices at which a reseller can advertise or sell products online
- When setting up an SDA, if in doubt, ensure you get independent legal

advice and follow it carefully

- If you are investigated by the CMA, there are benefits to be had by owning up to misconduct – in this case Dar Lighting was granted a 20% discount because it admitted it had broken the law and settled the case with the CMA

Benefits of blowing the whistle

If a company is the first to report being part of an RPM agreement and fully co-operates with an investigation, it can benefit from immunity from fines and its co-operating directors can avoid director disqualification.

Even after an investigation has started, businesses may still benefit from reduced fines through our [leniency programme](#).

Individuals may also be eligible for immunity from prosecution and director disqualification if they come forward independently and co-operate with the investigation.

If you think you may have broken the law, we always recommend that you seek independent legal advice as soon as you can from lawyers of your choice. If you do not have your own legal advisers, you can use other sources of advice, such as the [Competition Pro Bono Scheme](#). This scheme offers an initial free legal consultation. Other organisations may offer a similar service.

If you have information on other companies in your industry that may have been involved in an anti-competitive arrangement, report it to us; [you may qualify for a reward](#).

For more information, including how best to report, see our [‘Cheating or Competing?’ campaign page](#).

[New UK Special Envoy to the Horn of Africa and Red Sea appointed](#)

News story

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Montgomery takes up the role after completing a tour in Washington as the Embassy's Trade and Economic Counsellor. Previously she has held senior roles as the Gulf, Yemen and Iran lead at the UK's National Security Secretariat and the Development Director in the British High Commission in Kenya.

The UK Envoy's role is to lead the UK response to international activity in the Red Sea region, engaging with key actors on both shores of the Red Sea and beyond.

Minister for Africa Vicky Ford said:

From a humanitarian crisis enveloping the Horn of Africa to our deepening ties across the Gulf, the UK's relationship with the Red Sea region is at a critical juncture. Sarah is an experienced diplomat who I know will drive forward these vital relationships in the years ahead.

UK Special Envoy to the Horn of Africa and the Red Sea Sarah Montgomery said:

I am delighted to take up this role at a vital time for the region. The Horn of Africa is facing a humanitarian catastrophe as extreme weather events linked to climate change, conflict and instability, and the rise in global food prices following Russia's illegal invasion of Ukraine combine to push large numbers of people towards famine.

The UK is strengthening our links across the Gulf on the key issues of our time, from free trade to regional security and climate change. I am looking forward to working with our partners in the region and internationally on all of these issues.

Supporting charities through uncertain times: the Commission's priorities for Wales

Bore da, good morning everyone.

I am delighted to be part of gofod3, and am grateful to WCVA for inviting me to speak today.

I have learnt that gofod translates into English simply as space – an apt motif for this nationwide coming together of charities to celebrate successes, reflect on the challenges ahead, and gain insight and energy from one-another.

The Commission is, of course, the regulator of charities in England and Wales. We take this two-country remit very seriously.

COVID placed limits on everyone's freedom to connect.

We did our best to bridge the gap. For example, the pandemic prompted us to convene regular online meetings with charity representatives to discuss emerging issues and concerns. The aim was to see how we could work together to support the charity sector through the challenges that COVID was bringing.

It has proven a valuable source of intelligence, insight and action, and I'm grateful to WCVA for its contributions, ensuring the distinct voice of Wales is heard in that forum.

But overall, the quality and quantity of our engagement with the sector and other stakeholders in Wales has suffered.

Now, as we emerge from beneath the cloud of the pandemic, I, and our new Chair Orlando Fraser QC, are determined to make up for lost time. And to renew the Commission's commitment to engaging with charities across Wales.

I'm delighted to announce that our Annual Public Meeting will take place in Cardiff in October. It will be a hybrid event, allowing for in person attendance by delegates across Wales and western England and enabling others to join on-line from wherever they are based.

I do hope many involved in charities in Wales will join us.

More information on the Annual Public Meeting will be available very soon.

We have also created an important new role, based in our Newport office. Our new Stakeholder and Policy Manager for Wales is responsible for building relationships with our key stakeholders in Wales, in Welsh Government, the

Senedd and the sector, and leads on our policy work in Wales.

I'm delighted that we have recruited a fantastic candidate to the role – Jessica joins us from the heart of the charity sector in Wales, from WCVA itself. And indeed, it's Jessica's very first day, and I'm pleased that she has taken an early opportunity to connect by taking part in gofod today.

There are many things that are distinct about the sector in Wales, and there is work that we are undertaking specifically in Wales that I'll come on to in a moment.

But there are also challenges that, sadly, know no borders. Just as we collectively emerge from the pandemic, we are faced with one of the toughest economic climates in a generation.

The cost-of-living crisis may have a significant impact on charities across Wales and England.

It is to charities that many families will turn for help when they find it difficult to pay the bills.

At the same time, many of those who previously donated regularly and generously to charity will feel the pinch in the months ahead, and some may curtail their charitable giving.

For some charities, this may mean facing a double squeeze of increased demand and reduced income.

In this context – the Commission's work becomes even more vital.

Our role, ultimately, is about upholding the relationship of trust between charities and the public, on whose support all charities ultimately rely – either actively or tacitly.

Times of crisis and strain often show charities at their best, and the public at their most generous. We saw that in the context of the pandemic, and the in the recent fundraising efforts for those impacted by the war in Ukraine.

But when people feel the pinch, when budgets are squeezed, they also crave evidence that charities are what they say they are, and that people's hard-earned money is being put to good use.

It is important that the public knows there is a regulator unafraid to step in when needed, willing to hold trustees and charities to account.

Our new Chair, Orlando Fraser QC, has described his aims to lead an expert Commission that is fair, balanced, and independent.

By expertise, we mean that our people need to be at the top of their game. We regulate 170,000 charities with a staff of around 400, and so we need to punch above our weight – whether that's in our customer service team operating the contact centre, our lawyers, accountants, investigators or policy advisers.

Fair – this is a well understood concept, and in essence is a commitment to offering a fair legally sound process to all.

Balance refers to our compliance work, and means that we will strike a proportionate balance between supporting trustees to get it right and dealing robustly with serious incidents of wrongdoing or harm

Finally, independence – we must be independent from governments, here and in Westminster, and we must be independent also from the sector we are charged with regulating.

In practice, we must continue in our efforts to help the majority of trustees get it right and run their charities well.

This means, among other things, being available to trustees when they need us.

I'm proud that investment in our Contact Centre meant the team provided an uninterrupted service throughout the pandemic.

In 2020-21, the Contact Centre received over 60,000 calls from charities, helping us to support over 30,000 unique charities. The figures have risen since, as we will set out in our annual report next month.

We must also continue to ensure we improve the accessibility of our online guidance, so that all trustees, no matter their experience and knowledge, can understand their basic responsibilities easily, and quickly.

We know that trustees are enthusiastic, engaged, passionate – but our research suggests they are perhaps not always as aware of the governance basics as they should be.

And that often trustees go to their peers for information when they are unsure, rather than coming to us.

That, in part, is why we have developed our suite of 5-minute guides. They set out the core syllabus we expect all trustees to know and are designed to work for experienced trustees who want to refresh their knowledge, as well as those new to their responsibilities.

If you haven't yet used the resources, or you think your trustees could benefit from a refresh – please point them towards our guides. They are, of course, available in both Welsh and English.

During the pandemic and since, we have translated the key guides into short videos, which we've communicated via an online trustee campaign, designed to help trustees be certain in uncertain times.

These are important developments in our offer to trustees – but we must go further in the years ahead – as I'll come on to.

As well as helping the majority get it right – as an independent regulator, we must also be prepared to be robust when charities cross the line.

In 2020-21, we used our legal powers over 2,200 times. Among the powers we use most often are those that help us establish whether wrongdoing has taken place, including powers that allow us to direct charities or third parties to provide documents, accounts or statements. These powers are very effective, allowing us access to information that can, on occasion, support a criminal prosecution.

We also used our power to issue a charity with an Official Warning on 25 occasions, and our power to disqualify a trustee 16 times.

I stress that we don't use our powers lightly – the legislation builds checks and balances into the system, and we follow careful and consistent processes in making decisions about these matters.

But it's vital for the maintenance of public trust that we are unafraid to use the powers Parliament has granted us when that is merited.

For the immediate year ahead, we have set out three priorities. Each one feeds into our wider purpose of ensuring that charities can thrive and inspire trust, so that people can improve lives and strengthen society.

First, we are improving our ability to regulate effectively – that is self-explanatory.

Second, we are working to better communicate with individual trustees – we want to develop an individual relationship with each trustee, so that we can provide you with information that is relevant to you and your circumstances. This begins with the development of a new trustee portal, which in time will allow individual trustees to set up their own Charity Commission accounts to access our online services.

Finally, we are focused on strengthening our organisation.

A golden thread running through each of these priorities is good data.

Accurate, rich data is the currency of effective regulation.

It will help us become more proactive in identifying problems, provide a better service to individual trustees, allow the public to make informed decisions about charities, and – crucially – enable policy makers, researchers and the sector to gain a richer understanding of the charity landscape in Wales and England.

An early step in our longer-term data strategy came earlier this month, when we launched a consultation on changes to the Annual Return.

The Annual return has not been updated since 2018 – but much has changed in the world around us, and we must keep up.

For example, the new questions we are proposing will help us:

- Better understand charities' reliance on certain types of income, and on single sources of funding,

- Gain a richer picture of charities' governance controls and organisational structures, as we know this can be correlated with risk.
- And they will help us develop a more accurate picture of the geographical areas in which charities operate in England and Wales. This data should, with time, directly benefit charities.

Because among other things, it will help policy makers and grant-givers identify geographic areas which are comparatively under-served by charitable work.

The changes we propose mean that charities will answer a greater number of questions, but in many cases the questions have been simplified and clarified.

We've worked hard to ensure the time burden on charities in completing the return remains reasonable and proportionate.

It's important that we hear charities' perspectives on the proposed changes to the Annual Return.

So please do have your say. The consultation runs to 1 September, and you can find out how to take part by visiting [gov.uk](https://www.gov.uk). The consultation is available in Welsh, and of course you can respond in Welsh.

I'd also like to mention our work to implement the Charities Act 2022. The new legislation is good news for charities, as it is designed to remove unnecessary red tape in certain situations.

For example, the provisions make it more straightforward for charities to change their governing documents, they grant more flexibility in using 'permanent endowment funds', allow greater flexibility around the advice needed when selling land, and allow trustees to be paid for goods provided to a charity in certain circumstances.

In summary, the changes aim to be largely enabling and empowering for trustees.

The Commission worked hard, with our stakeholders in government and the sector, to secure the new law, and we're now ensuring it is implemented in a timely way.

We won't be able to make all the necessary changes in one go – some of the changes require secondary legislation.

However, the first set of changes, which include the power to receive payment for goods, and flexibility about how fundraising appeals that don't raise enough money can be administered, will come into force this October.

We will communicate these changes before then, so please do look out for this.

And we will continue to communicate with the sector as we gradually implement all the changes between now and autumn of 2023.

As a rule, the Commission cannot directly alleviate financial pressures charities face.

But there is one project we are unfolding in Wales right now that has the potential to unleash unused resources for charities across the country.

The Revitalising Trusts programme works to ensure that assets lying dormant across the country are put to good use.

The programme was pioneered in England in 2018, and since then has released or revitalised nearly £80 million for charitable causes in that country.

I'm delighted that we have secured funding and support from the Welsh Government, and the partnership of Community Foundation Wales, and so are able to roll out the programme in Wales.

We hope to help release hundreds of thousands – perhaps even millions – of pounds that we believe are sitting idly in charities' accounts. Every pound currently lying fallow into which we can breathe new life will make a difference to a community.

We start by identifying charities that fall within scope – in summary these are charities in Wales whose objects allow for grant-making, and that have either not submitted an annual return for a number of years, or whose expenditure is less than 30% of income over 3 years, meaning they are sitting on accumulating funds that are not being seen or felt by beneficiaries.

We contact the charities, offering its trustees support to help the charity get back up and running if needed. Perhaps by helping to recruit new trustees. Only where charities can no longer operate, will they be wound up and removed from the charity register.

Where that is the case, we ensure funds are redeployed to causes in line with the aims of the dormant charity. Or the trust is transferred to Community Foundation Wales to be managed for the long-term benefit of local communities.

That money can then be granted to charities in need, as well as used to create a regular income stream that will sustain their work to help communities for years.

There are specific opportunities in Wales. For example, there appear to be many inactive/ineffective registered and unregistered charities that are managed by local authorities as the corporate trustee.

We are now working with local councils to understand the status of the charities for which they are trustees. We hope that this might help unlock potential dormant funds.

But as well as opportunities, we're facing different challenges in Wales. It's proving harder to reach trustees here – we believe in part because of

the rural nature of large parts of the country – the sector in Wales is in some ways very closely knit, but we're the greater dispersal of charities is proving a challenge in this respect.

We're working hard with the Community Foundation for Wales to overcome this challenge, and for example are planning to engage local media as we spread the word throughout Wales.

I urge you to help. Please use your networks to raise awareness of the programme and the benefits that it can bring to charities and communities across Wales.

As charities across England and Wales face straightened times, it is all the more important that money lying idly in charities accounts, serving no good purpose is released for the public good.

This leads to my final point.

I spoke earlier about the cost-of-living crisis and its potential impact on charities.

I believe the challenges you face are not just about making ends meet, and securing the donations and funding you need to continue your work.

The months ahead may present a wider test of leadership and resolve.

Scrutiny of charities and their management – especially their financial management – may well intensify, and if that happens, leaders will need to explain their decisions openly and with integrity.

It is not the Commission's role to intervene in the individual management of any charity, or to tell trustees how to run their charity.

And part of being balanced and fair means that we will not pounce on a charity, just because of media scrutiny or because important people have concerns about it.

This forms part of our role in promoting and increasing public trust in charities.

But we cannot protect charities from legitimate scrutiny, or from criticisms for mistakes or misjudgements.

So I urge you, in the months ahead, to ensure that every penny you spend, and every decision you take, serves your purpose and the people you exist to help.

Ensure your accounts and public communications paint a clear and vivid picture of how you translate the money and resources you hold into, lives improved, and communities strengthened.

And as the Commission's engagement across Wales expands post-pandemic, I look forward to visiting charities, meeting trustees and learning from your

triumphs and challenges.

Thank you all, Diolch.

[UK takes lead to seek global action on nature at COP15 biodiversity conference](#)

The UK will lead ambitious calls to protect nature at a UN meeting to agree global biodiversity targets in Nairobi this week – in line with UK’s domestic leadership through its Environment Act.

The UK-led statement, supported by 46 other high ambition countries, calls on the international community to halt and reverse biodiversity loss globally and adopt the ‘30by30’ target to protect at least 30 per cent of land and ocean by 2030. This will help restore ecosystems, drive species population recovery and halt extinctions by 2050.

The [preliminary discussions in Nairobi](#), ahead of the rescheduled UN Convention on Biological Diversity COP15 conference, will help shape a Global Biodiversity Framework (GBF) to drive international action over this decade. This will build on momentum following the UK’s COP26 presidency, which led to the Glasgow Leaders’ Declaration on Forests and Land Use being agreed, a commitment by 140 leaders representing 90 per cent of the world’s forest to halt and reverse forest loss and land degradation by 2030.

Biodiversity loss cannot be ignored – deforestation, pollution and loss of nature is happening at an alarming rate. Following a two-year hiatus due to the pandemic, the UK also welcomes confirmation that – under China’s presidency – the COP15 conference will go ahead later this year in Canada.

Lord Zac Goldsmith, International Environment Minister, said:

Nature is in crisis. We need an ambitious set of targets to halt and reverse biodiversity loss globally by 2030, and I am delighted to hear the news COP15 will go ahead later this year. Nature recovery is one of the greatest challenges we face as a global community. We must reverse deforestation, protect our landscapes and seas and give them and the species they hold a chance to recover.

We welcome Canada’s announcement and offer to host, and will do everything we can to help them make it a success. And we will continue to support the Chinese Presidency to ensure ambitious

outcomes are achieved. I look forward to working with my counterparts in China, Canada and throughout the international community to make sure we make this year the Paris moment for nature.

The UK is taking a leading role in defining and strengthening the Global Biodiversity Framework. As leader of the Global Ocean Alliance and Ocean Co-chair of the High Ambition Coalition for Nature and People, the UK is championing the '30by30' target, and other ambitious outcomes for the land, ocean and species. Nearly 100 countries have now pledged to support this target.

At the Nairobi negotiations this week, the UK will coordinate a High Ambition Statement in partnership with members of the global community to prioritise:

- An ambitious Global Biodiversity Framework to halt and reverse biodiversity loss globally, with goals for 2050 and targets for 2030 and strong reporting and review mechanisms.
- A plan to increase finance flows to support biodiversity and eliminate incentives for harmful activities
- Capacity building amongst the international community and cooperation on technical and scientific knowledge
- An outcome on Digital Sequence Information (DSI) – the digital representation of genetic resources – which delivers value for the global community (see notes).

The UK is already leading the way with our commitment to spend at least £3 billion of our £11.6 billion International Climate Finance pledge on protecting and restoring nature, including £500m dedicated to the ocean through the Blue Planet Fund, alongside commitments in the International Development Strategy and the Overseas Development Assistance.

More than half of global GDP – \$44 trillion – is linked to biodiversity and supports the livelihoods of some of the remotest communities on the planet. This is why the international community must take urgent action to address the emergency facing our planet. The COP15 conference is an important step in establishing a solid foundation to support a prosperous future for people and the planet.

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Further information:

- For more information, visit: [Convention on Biological Diversity](#)
- Digital Sequence Information on genetic resources (DSI) refers to the digital representation of genetic resources which are held in databases around the world. The COP is expected to make a decision on how to ensure that countries that provide genetic material for use in those databases share the benefits that arise from their use, but without impacting on the principles of open access and the activity of the scientific community.

Environment Agency prosecutes Leicester men for angling offences

Wayne Knight, 44, of Prior William Close, Cosby, Leicester, was fined £220, ordered to pay costs of £135 plus a victim's surcharge of £34.

Knight admitted fishing without a licence at Mill on the Soar, Sutton Elms, on 1 February 2022.

Lester McManus, 28, of Braunstone Lane, Leicester, was fined £40, ordered to pay costs of £135 plus a victim's surcharge of £34.

McManus admitted fishing for freshwater fish during the close season at Aylestone on the River Soar on 24 March 2022.

A spokesperson for the Environment Agency said:

These cases show we pursue offenders through the courts and won't hesitate to take enforcement action where anglers break rules.

Anyone found fishing illegally may face prosecution and a fine of up to £2,500.

Any angler aged 13 or over, fishing on a river, canal or still water needs a licence. The money raised through the sales of rod licences is re-invested back into the sport and illegal fishing undermines the Environment Agency's efforts to make fishing sustainable.

A 1 day licence costs from just £6 and an annual licence costs from just £30 (concessions available). Junior licences are free for 13 – 16-year-olds.

Licences are available from www.gov.uk/get-a-fishing-licence or by calling the Environment Agency on 0344 800 5386 between 8am and 6pm, Monday to Friday.

The Environment Agency carries out enforcement work all year round and is supported by partners including the police and the Angling Trust. Fisheries enforcement work is intelligence-led, targeting known hot-spots and where illegal fishing is reported.

Anyone with information about illegal fishing activities can contact the Environment Agency incident hotline 24/7 on 0800 80 70 60 or anonymously to Crimestoppers on 0800 555 111.