Government responds to the proposed acquisition of Cobham plc by Advent International

On 25 July 2019, Cobham, a UK defence company, announced that it had agreed an arrangement to be taken over by a subsidiary of Advent International, a US private equity firm, in a deal worth approximately £4 billion.

Under the Enterprise Act 2002, the Secretary of State for Business, Energy and Industrial Strategy has the power to intervene in mergers on public interest grounds relating to national security. This responsibility is discharged in a quasi-judicial capacity, which means that the Secretary of State must act, and be seen to act, in a scrupulously fair and impartial manner.

On 17 September 2019, acting on official advice, the Secretary of State issued a European intervention notice to intervene in the proposed sale on national security grounds.

She has written to the Competition and Markets Authority (CMA) to inform them of her decision to intervene and instructed them to investigate. The CMA will now prepare a report on the national security aspects of the proposed transaction. This is a statutory process to ensure national security implications of a proposed sale are fully assessed. The CMA has until midnight at the end of 29 October 2019 to complete and submit this report to the Secretary of State.

Business Secretary Andrea Leadsom said:

Following careful consideration of the proposed takeover of Cobham, I have issued an intervention notice on the grounds of national security.

As part of the statutory process, the Competition and Markets Authority will now investigate and carry out a review on the national security implications of the transaction. They must report back to me by 29 October 2019.

The government's goals are to support private sector innovation whilst safeguarding the public interest.

For more information about the intervention powers, see the <u>guidance on mergers</u> and on <u>CMAs jurisdiction and procedure</u>.

UK & Australia commit to rapid and ambitious free trade agreement

International Trade Secretary Liz Truss is in Canberra, Australia, today where she will meet with senior politicians including Trade Minister Simon Birmingham.

Speaking ahead of the visit in Canberra today, the International Trade Secretary Liz Truss said:

It's great to be in Australia this week as you are one of our highest priorities for a post-Brexit trade deal. And with good reason — trade between our two countries was worth £16.6 billion in the year to March 2019, and we have more than £46 billion invested in each others economies.

Now, for the first time in nearly half a century, we are taking back control of our trade policy. I want to see an ambitious trade deal which reduces tariff and non-tariff barriers for UK exporters.

But we cannot afford to wait. Britain is going to be ready to trade after Brexit. That's why I'm so pleased that today we are reaffirming our commitment to launch bilateral free trade agreement negotiations as soon as possible.

It's good to see that Australia is going to quick off the mark and it'll be mirrored by the UK under our new government — a government that takes action.

A UK-Australia trade deal won't just be a good thing — it'll be a great thing, for our businesses, for our consumers, for our workers and for our two great countries.

The UK is one of Australia's largest trading partners and our trading relationship was worth £16.6 billion in the twelve months to March 2019.

Around 15,000 UK businesses export their goods to Australia.

The Department for International Trade has helped many of these businesses to secure contracts to export their goods and services to Australia, which has resulted in:

- Commuters in Sydney soon to arrive at the central metro station upgraded by the British construction company Laing O'Rourke and British architects John McAslan + Partners
- British online supermarket pioneers Ocado partnering with retail giant Coles to bring their world leading technology to Australia, transforming online shopping and delivery for customers
- East Midlands-based Bradbury & Son selling their cheese in Australian supermarkets Coles and Woolworths
- Consumers in Australia saving money through the UK's neo-bank Revolut services by avoiding hidden fees and hefty exchange rate markups
- Motorists in Australia now having smoother journeys thanks to British firm CitiLogik, whose world-leading technology is revolutionising traffic analysis in Australia cities.

Despite already strong trade links, there are still trade barriers holding British businesses back.

Some UK exporters face tariff barriers into Australian markets, including up to 5% in the automotive and machinery sectors.

An FTA could create more opportunities for:

- British whisky producers who could benefit from lower tariffs
- UK expertise to support Australia's thriving infrastructure sector, making it easier for British architects and engineers to work in Australia
- British car makers, such as Jaguar Land Rover, who could benefit from lower tariffs and improved access for their new environmental technologies
- Further enhance our already thriving two-way investment, the UK being the 2nd biggest investor in Australia
- Building on the successful UK-Australia FinTech Bridge, increasing the opportunities for cooperation between the UK and Australian financial services sectors
- The millions of small and medium sized businesses across the UK to trade more, by reducing regulatory barriers and supporting increased participation in trade.

David Smith, Diageo Australia Managing Director:

Our business in this market is truly one of great partnership and collaboration between the UK and Australia, built on iconic founder brands like Johnnie Walker, Tanqueray, Gordon's and Cardhu.

Going back to 1887, Australia was the first international market for Johnnie Walker. But there remain barriers of up to 5% on some spirits and we very much look forward to a UK-Australia free trade agreement.

The UK government's negotiating strategy will be based on one of the largest public consultations in British history. This involved more than 146,000 people and organisations sharing their views about a future UK-Australia free trade agreement.

Updated flood maps mean Salisbury is better prepared

New maps that show the risk of flooding in Salisbury mean emergency services are better prepared to protect the city.

New research, advances in technology and data from the 2013/14 flood will help the Environment Agency decide what forms of flood defence scheme will be best to reduce the risk of flooding.

For most of central Salisbury there has been little change from previously published flood maps, with some areas decreasing in flood risk. However, there are some locations where flood outlines have increased and a greater number of residential and commercial properties are now shown to be at risk.

This is because the flood maps now show greater detail about how Salisbury reacts to flooding, but not a rise in actual flood risk.

Ron Curtis of the Environment Agency said:

While the maps show larger areas, this is not an increase in flood risk as such, but an increase in our understanding of how flooding can occur in Salisbury.

We recognise the impact these changes will have on people and businesses and are working with Wiltshire Council to explore what can be done to reduce this risk in the future.

Work is already underway with Wiltshire Council on a scheme to reduce the flood risk to areas alongside the Summerlock Channel and River Avon as well as other parts of the city centre. These works are proposed alongside the regeneration scheme at the Maltings and Central Car Park area.

Jonathon Seed, portfolio polder for flooding, Wiltshire Council, said:

It is important the council considers every opportunity to reduce the risk of flooding and we are pleased to be working with the Environment Agency on these schemes which are essential for the long-term future of Salisbury. The council is also looking to address the risk of flooding through the Salisbury Central Area Framework. This not only ensures future developments are protected against flooding, but provides us with a great opportunity to improve leisure and recreational uses as well as ecology and biodiversity enhancements providing a much better environment for all.

Councillor Derek Brown, who is the lead councillor for flooding for Salisbury City Council, said:

The council is working closely with the Environment Agency and others to understood the flooding risk in the city so that we are better able to respond if there is a flood.

The new information will be invaluable to our volunteer flood wardens working in the city. If you would like to know more about this role, please do get in contact with the council.

If an extreme flood is forecast, the Environment Agency has plans to use temporary defences in Salisbury and will be trialling these with the military and fire service next month.

Flood warning areas will be updated over the coming months and residents and business are encouraged to <u>sign up for flood warnings</u> or contact <u>floodwessex@environment-agency.gov.uk</u>.

Although the updated flood maps will not be published online until later this year, residents can request a detailed snapshot of their address by emailing wessexenquiries@environment-agency.gov.uk.

As well as checking flood risk, residents can also find out what action they can take to protect their personal safety and property by visiting the Environment Agency "floods destroy" website.

<u>£5m increase for rape and sexual abuse</u> <u>victims</u>

- £1 million towards recruiting more Independent Sexual Violence Advisors
- Second time in six months that government has boosted cash support for rape victims
- Government moves to enshrine victims' rights in law

The move will see a 50 per cent increase in the money available — up from £8

million to £12 million per year — for a range of services across the country, including tailored face-to-face support and counselling.

f1 million will be invested into recruiting more Independent Sexual Violence Advisors (ISVAs), who provide advice and support for victims, acting as the link between police, support services and criminal justice agencies. New national minimum standards for ISVAs will also be developed to ensure victims across the country receive consistent, high-quality support.

This additional funding will form part of a Rape Victims' Pledge, which will provide additional support and information for victims, in order to make their engagement with the criminal justice system simpler and less distressing.

The Government is also accelerating plans to enshrine the support victims are entitled to receive in legislation — with a new Victims' Law to be consulted on early in the new year. A revised Victims' Code — which will clearly set out the minimum level of service victims can expect from criminal justice agencies — will also be published in early 2020.

Justice Minister Wendy Morton MP, said:

Rape and sexual assault are horrific crimes, and this cash injection will boost vital services so every victim can access the specialist emotional and practical support they need.

There is still much more to do, but by increasing funding twice this year and bringing forward plans for a Victims' Law, this government is sending a clear message that we stand shoulder to shoulder with those who face recovering from such terrible crimes.

Today's announcement follows a 10 per cent uplift in March, meaning government funding for rape support will now total £32 million over the next three years. Furthermore, the end-to-end review into how the entire criminal justice system responds to rape and serious sexual offences is continuing at pace, and has committed to publishing a full action plan next year.

The new funding builds on recent government action to restore the public's confidence in the justice system. The Prime Minister has announced the government will recruit 20,000 more police officers, spend up to £2.5 billion on a further 10,000 prison places, and review sentencing to make sure violent and sexual offenders are properly punished and the public is kept safe. In addition, a further £85 million is being invested in the Crown Prosecution Service over the next two years to build capacity and ensure it can deal with the cases brought by the police.

Victims' Commissioner for England and Wales, Dame Vera Baird QC, said:

Complainants of rape and sexual assault who have the courage to report their experience demonstrate immense bravery and must be given all the support they need so that justice can be done.

I very much welcome this additional funding but there is much more to do, including improving the way police and prosecutors handle these horrific crimes.

I welcome the government's commitment to bring forward the long-awaited Victims' Law and updates to the Victims' Code early in 2020. Backing up current rights with legislation and strong implementation will ensure justice is improved.

Amelia Handy, Rape Crisis England & Wales says:

Rape Crisis England & Wales is encouraged by the announcement of much-needed additional funding for specialist Rape Crisis Centres, and by the Government's recognition for specialist services for victims and survivors.

Last year nearly 80,000 individuals accessed Rape Crisis services, meaning this funding uplift will contribute towards specialist Rape Crisis service delivery at a time when need, demand and service provision are at unprecedented levels.

Today's announcement coincides with the one-year anniversary of the Government's Victims' Strategy, which aims to boost the support on offer to victims at every stage of the justice system.

Over a third of the commitments contained in the strategy have already been delivered, including abolishing the pre-1979 'same roof rule' so that more victims of abuse can claim compensation for their ordeal, increasing and extending funding for sexual support services and consulting on strengthening the Victims Code.

Notes to editors

- An additional £5 million worth of funding is being awarded to specialist sexual violence support services, which includes £1 million towards recruiting more Independent Sexual Violence Advisors.
- The Government's <u>Victims' Strategy</u> committed to consulting on a revised Victims' Code and to consult on the detail of victims focussed

legislation.

- Today we are confirming an updated Victims' Code and consultation on a Victims' Law will be introduced early in the new year.
- MOJ funding for victim support services has almost doubled since 2012/13 (by increasing revenue raised from offenders). This year, we plan to spend about £96 million on these services.
- MOJ provides a contribution to 96 rape support centres across England and Wales and the level of grant funding varies. In 2018/19 we allocated around £7.2 million to these centres to provide independent, specialist support to female and male victims of sexual violence, including victims of child sexual abuse. From next year this will increase to £12 million annually.
- These services offer specialist emotional and practical support, available free of charge in all 42 of country's Police and Crime Commissioner areas.
- In 2018/19 we allocated Police and Crime Commissioners (PCCs) around £68 million funding to locally commission emotional and practical support services for victims of crime as they are best placed to respond to local need.
- Last year we <u>announced</u> that providers will be able to compete for grant funding for three years, rather than the one-year grants previously awarded, providing greater long-term security.
- As part of the refreshed <u>violence against women and girls (VAWG)</u> strategy, the Government announced a review into how the criminal justice system deals with rape and sexual violence. It will look at the entire system, from police report to conviction or acquittal in court and make recommendations for change to ensure that victims have the confidence that if they report their crimes, action will be taken.
- The <u>Crime Survey for England and Wales</u> estimated that 20% of women and 4% of men have experienced some type of sexual assault since the age of 16, equivalent to an estimated 3.4 million female victims and 631,000 male victims.

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