

News story: CMA Panel Inquiry Chair appointed

His role will include chairing groups of CMA panel members making decisions on Phase 2 merger inquiries, market investigations and regulatory appeals. Panel members bring their experience of competition, economics, regulation, business, public policy and consumer law to the CMA's decision-taking.

Stuart will take up his role from 2 April 2018.

He brings with him a wealth of experience, having had a successful career as an economist specialising in regulatory economics, including as an executive Board Member and Group Director at Ofcom, the communications regulator.

He also held senior positions in several private sector organisations including PwC and IBM.

He has served as a panel member at the CMA since October 2017, following an appointment process run by BEIS and in accordance with the requirements set down in the Commissioner for Public Appointment's Code of Practice.

News story: Civil news: next steps for 2018 civil contracts tender process

The Legal Aid Agency (LAA) will now advise those organisations that have been successful in bidding for the remaining face to face categories:

- Family
- Welfare Benefits
- Immigration and Asylum (including Immigration Removal Centres)
- Mental Health
- Community Care
- Clinical Negligence
- Claims against Public Authorities
- Public Law
- Family Mediation

This follows the closure of tenders for face to face contracts on 10 November 2017 and the notification in January 2018 of those who were successful in bidding for face to face contracts in the Housing and Debt categories.

For completeness, the LAA will re-confirm to those who were successful in the Housing and Debt categories under the face to face contract procurement

process.

Those organisations taking part in the procurement process for the Housing Possession Court Duty Scheme (HPCDS) contracts will be notified of the outcome in due course.

How will these notifications on face to face contracts be made?

The LAA will formally write to each affected organisation via the e-Tendering system, advising them of the status of their tenders, from week commencing 19 March 2018.

We anticipate that most notifications will have been sent out by Friday 30 March. Applicants who have bid for face to face contracts and have not received notification by 3 April should contact the LAA through the e-Tendering system message board.

When will services under new contracts begin?

Services under new face to face contracts will begin on 1 September 2018.

Services under new Civil Legal Advice (specialist telephone advice) contracts will also begin from 1 September 2018, and services under new Housing Possession Court Duty Scheme contracts will begin from 1 October 2018.

How long will the contracts last?

Each contract will initially run until 31 August 2021, with an option for the LAA to extend for up to a further 2 years.

What will happen next?

Following notifications, the LAA will work with organisations to complete the verification process described in the letter of notification through the Bravo system. However, organisations are reminded that the award of the contract is conditional on them satisfactorily verifying their bids.

It is the responsibility of each applicant to ensure they provide all the necessary information to evidence they meet the relevant verification requirements no later than 23:59 on 20 July 2018.

Further information

Further information about the process can be found on our tender page:

[Civil 2018 contracts tender page](#)

Press release: UK aid is helping to protect vulnerable Rohingya people ahead of devastating floods

This is ahead of the fast-approaching annual cyclone and monsoon season which has the potential to cause significant devastation and loss of life.

Almost a million persecuted Rohingya people, who have fled neighbouring Burma, live in the fragile and cramped camps.

The UN estimates 102,000 of them are living in areas at risk of flooding and 12,000 people are at risk from landslides.

Alongside international aid organisations International Organisation for Migration and UNHCR (United Nations High Commissioner for Refugees), the UK has helped to ensure more than 158,000 people have received reinforced shelter and sandbags to protect them from winds and flood water.

Work has also begun on the reinforcement of pathways through camps needed to deliver supplies and services.

Plans to cope with the aftermath of flooding and landslides are also being stepped up.

Water-borne diseases are common in the aftermath of a flood, and UK aid is ensuring that more than 250,000 people will continue to have access to safe drinking water throughout the rainy season.

More than 5,000 new latrines have been constructed and have been strategically placed throughout the camps and plans to move more than 6,700 latrines to safe grounds have already begun.

UK-supported cholera, measles and diphtheria vaccination campaigns have also taken place in readiness for the monsoons.

These will provide protection against some of the most common diseases in the camps, which can be more widespread during the rainy season.

So far, 391,000 children under the age of seven have been vaccinated, with a further 400,000 children due to receive the vaccinations planned by the end of March.

Healthcare workers are also being trained to prevent, identify and treat common illnesses likely during the rainy season and to manage higher caseloads.

International Development Secretary Penny Mordaunt said:

With the cyclone and monsoon season in Bangladesh imminent it is time to firmly focus our efforts on Cox's Bazar where nearly a million persecuted and displaced Rohingya people now live.

The Rohingya people have suffered so much already and now they are living in constant fear of the imminent floods causing utter devastation and destruction.

Our swift response can save lives. Right now UK aid is strengthening roads and pathways to ensure vital medication and food can reach the very centre of the camps. UK aid is also reinforcing shelters to protect vulnerable families at risk of flood water and landslides.

Press release: Justice Secretary unveils new bill to cut car insurance premiums

- Clampdown on whiplash claims to save motorists about £35 per year
- The whiplash changes are part of government's wider programme to tackle the compensation culture which is driving up costs to consumers and taxpayers
- Bill includes changes to the way the personal injury discount rate is calculated to bring certainty and transparency to the system, and savings for the NHS

The legislation sets in law measures which will reduce the unacceptably high number of whiplash claims and allow insurers to cut premiums, with motorists anticipated to save on average about £35 per year.

The whiplash measures form a major plank of the Government's wider work to tackle the country's compensation culture, ensuring a more balanced and fair system for all concerned. They follow earlier reforms including the forthcoming ban on cold calling, tougher regulation of claims management companies, and a clampdown on spiralling holiday sickness claims.

The high number of whiplash claims has contributed to increased insurance premiums but these measures will mean about £1 billion in savings which insurers have pledged to pass on to drivers.

Justice Secretary David Gauke said:

The number of whiplash claims has been too high for too long, and is symptomatic of a wider compensation culture.

We are putting this right through this important legislation, ensuring whiplash claims are no longer an easy payday and that money can be put back in the pockets of millions of law-abiding motorists.

Road traffic accident related personal injury claims are 50% higher than a decade ago, despite the fall in the number of reported accidents and the UK having some of the safest roads in Europe.

This rise has been fuelled by predatory parts of the claims industry that encourage minor, exaggerated and fraudulent claims, driving up the costs of insurance premiums for ordinary motorists.

The whiplash measures are aimed at cracking down on these claims. The measures will ensure fairness to both motorists and claimants by:

Also contained in the Bill are changes to the way the personal injury discount rate for serious injuries is calculated.

The changes, first mooted in September, will provide a more balanced approach to compensation that fully compensates victims of catastrophic accidents, including the most vulnerable, while addressing issues around overpayment which could have a knock-on effect on public services with large personal injury liabilities – particularly the NHS.

The discount rate is the percentage used to adjust compensation awards for victims of serious personal injury, according to the amount they could expect to earn by investing it. Its application is an important part of the calculation of awards. It only relates to compensation for future loss.

The adjusted awards should put claimants in the same financial position they would have been in had they not been injured – they should receive neither more nor less than full compensation.

In February last year the discount rate was reviewed as required by the law and reduced from 2.5% to minus 0.75%. This dramatically increased the size of awards of damages to individuals.

At the time, the government acknowledged that this move was likely to have a significant impact, launching a consultation on the way the discount rate is calculated in March, followed by the publication of draft legislation in September.

We have also carefully considered the report of the Justice Committee on the draft legislation and accepted the majority of its recommendations.

The changes to the discount rate now being introduced through the Civil Liability Bill will create a fairer and better system of setting the discount rate, which will still provide full compensation. To ensure this happens we will:

- set the rate with reference to ‘low risk’ rather than ‘very low risk’ investments as at present, better reflecting evidence of the actual investment habits of claimants;
- establish a regular review of the rate, the first within 90 days of the legislation coming into force and at least every three years thereafter;
- establish an independent expert panel Chaired by the Government Actuary to advise the Lord Chancellor on the setting of the rate.

Notes to editors

The Government’s commitment to tackle the whiplash epidemic has previously been welcomed by the Association of British Insurers (ABI), with leading insurance firms including Aviva and LV= pledging to pass 100% of savings onto motorists.

In February 2017 the discount rate was reduced from 2.5% to minus 0.75%, which has led to larger awards and concerns in some quarters that the current law provides more compensation than needed to claimants. The consultation, launched in March, sought to address those concerns by collecting views on how to make the system better and fairer.

It is a well-established principle of law that individuals should receive full compensation for losses suffered as a result of personal injuries that are not their fault. The personal injury discount rate is a percentage used to adjust the lump sum awards for future losses, costs and expenses received by victims of life-changing injuries to account for the amount victims can expect to earn by investing their awards. The discount rate applied to the compensation for future financial loss (such as loss of future earnings and care costs) should ensure that people receive the full compensation that they were awarded – no more or less – by taking into account what they are likely to earn on that money before they are expected to have spent it.

The current framework for setting the discount rate uses real yields from Index Linked Gilts as a proxy for the returns that can be expected from a very low risk investment strategy. However, drawing on expertise from financial advisers, the Government has found strong evidence that in practice claimants are advised to and invest in low risk diversified portfolios.

At the time the discount rate was lowered, a number of pledges were made, including a consultation to consider whether there is a better and fairer way of setting the rate in future. That framework is contained in the legislation published today.

Press release: New powers to give greater protection to staff and small suppliers in insolvent businesses

- Directors selling companies recklessly to face tough new sanctions including fines and disqualification
- Creditors could have money returned to them by reversing inappropriate asset stripping
- Directors dissolving companies to dodge debts and avoid facing accusations of misconduct to face investigation for the first time
- Strengthening corporate responsibility will enhance the UK's business environment and ensure it remains one of the best places to start and grow a business

The government today (Tuesday 20 March) will launch a consultation to improve the UK's corporate governance framework and ensure the highest standards of behaviour in those who lead and control companies in, or approaching, insolvency.

The vast majority of UK companies are run fairly and responsibly, but a small number of recent corporate governance failures have raised concerns that company directors can unfairly shield themselves from the effects of insolvency and – in the worst cases – profit from business failures while workers and small suppliers lose out.

Following last year's corporate governance reforms to increase boardroom accountability and transparency of big business, the government will today raise standards even further by setting out proposals to crack down on directors and employers behaving irresponsibly. These include:

- clawing back money for creditors including workers and small suppliers by reversing inappropriate asset stripping of companies on the verge of insolvency
- disqualifying and or holding directors personally liable when found to have sold a struggling company or subsidiary recklessly or knowing it would fail
- giving the Insolvency Service new powers to investigate directors of dissolved companies
- consideration of the legal and technical framework within which decisions are made on payment of dividends, and how it could be improved and made more transparent
- strengthening the role and responsibilities of shareholders in stewarding the companies in which they have investments.

These reforms seek to respond in a balanced and proportionate way to help reinforce public trust and confidence in businesses and further strengthen the UK's business environment which is a key part of the [UK's Industrial](#)

[Strategy](#), the government's long-term plan to build a Britain fit for the future. They will also help to ensure the UK remains one of the best places to start and grow a business and is an attractive place to invest.

Business Secretary Greg Clark said:

Britain has a good reputation internationally for being a dependable place to do business, based on required high standards. This framework has been regularly upgraded and in the light of some recent corporate failures I believe the lessons should be learned and applied.

These reforms will give the regulatory authorities much stronger powers to come down hard on abuse and to make irresponsible directors bear the consequences of their actions.

The government will publish the Insolvency and Corporate Governance consultation later today setting out some of these proposals in more detail. It will also seek views on new ways to protect payments to smaller firms in a supply chain which can be hit hardest when large companies become insolvent.

The government is already taking action on this issue by:

- considering whether further action is needed to prevent the misuse of contract clauses, typically in the construction sector, allowing large firms to withhold payments as a surety against defects
- committing to launch a call for evidence on how to eliminate unfair payment practices to small businesses.

This package of reforms follows last year's [corporate governance reforms](#) which sought to increase boardroom accountability.

The government has already:

- supported the Investment Association's world-first public register of FTSE-listed companies where more than one fifth of shareholders have opposed resolutions on executive pay packages and other issues
- appointed James Wates to chair a new group drawing up the UK's first-ever set of corporate governance principles for large private companies
- ensuring that employee and other stakeholder voices are heard and taken into account in boardroom decision-making

In the coming months the government will introduce new laws requiring:

- listed companies to reveal the pay ratio between bosses and employees
- all companies of a significant size to publicly explain how their directors take employees' and other stakeholders' interests into account
- all companies of a significant size to make their corporate governance arrangements public

1. Whenever a corporate insolvency occurs the conduct of the directors of

the company is considered. Directors can be disqualified for up to 15 years if their conduct is found to make them unfit to be involved in the management of a company.

2. [Insolvency Service is a government agency](#), helping to deliver economic confidence by supporting those in financial distress, tackling financial wrongdoing and maximising returns to creditors.
3. The Insolvency Service disqualifies around 1,200 irresponsible directors a year, protecting creditors from an estimated total £137 million in losses.