

News story: CMA applies discretion not to refer IBA/Mallinckrodt merger

The CMA is not referring the merger between IBA and Mallinckrodt's global nuclear imaging business for an in-depth investigation.

The companies both supply single photon emission computed tomography (SPECT) radiopharmaceuticals in the UK. These are used to diagnose disease in many different tissues and organs including bones, the brain, heart, kidneys, liver, and lungs.

The Competition and Markets Authority (CMA) has found that in one category of SPECT products supplied by the companies the merger will reduce the number of suppliers from 3 to 2 and this could substantially lessen competition. However, the size of the relevant market is below £5 million and the CMA has not found reasons to warrant an in-depth phase 2 investigation. Therefore, the CMA has decided to apply its statutory discretion not to refer this case.

This is the first case in which the CMA has exercised its discretion not to make a reference for this reason since publishing [revised guidance on 16 June](#).

For more information, please see the [case page](#).

News story: Update on procurement for non-levy paying employers

In April 2017, the Education and Skills Funding Agency (ESFA) paused the procurement for apprenticeship training provision for non-levy-paying employers.

The competition was markedly oversubscribed and the Department for Education (DfE) and the ESFA concluded that it did not achieve the right balance between stability of provision, promoting competition and choice for employers. Together, DfE and ESFA have since reviewed their approach to determine how best to support these objectives.

As a result, the ESFA has decided to cancel the current procurement exercise and has confirmed that it will launch a new procurement at the end of July.

The new procurement will be designed to achieve the best value for employers, providers and apprentices in the move to a fully employer-led system. More

details on the process and deadlines will be finalised and announced shortly.

The ESFA has also confirmed that the register of apprenticeship training providers will not re-open for new applications, while the new procurement exercise is open.

To provide further clarity and certainty for training providers with existing contracts the following steps will also be taken:

1. Within the next week, the ESFA will respond to providers who have made business cases to adjust the amount of funding they were awarded in the contract extensions. Where credible evidence has been presented, the ESFA will look to adjust the allocations.
2. The ESFA will bring forward the first performance management point from August to July. This will be in order to review current delivery and consider whether additional funding can be made available where there is clear evidence of unmet demand from employers. More details on the timing for this will follow shortly.

This will not affect training provision for existing learners.

News story: New design innovations get up to £2 million funding

The funded projects – part of our design foundations competition – will help businesses identify high-value innovation opportunities and generate ideas for new or improved products, services or business models that align with customer demand.

Projects will begin by exploring human motivations and behaviour before identifying specific problems or opportunities to be addressed.

Ideas generated in response to those opportunities should then be quickly tested and refined with a focus on validating the quality of the customer experience, rather than developing the underlying technology.

User-centred design projects

Some of the successful projects from the first round include:

- [Baxi's](#) 'delivering warmth' project will look at how people heat their homes and use water. This will enable Baxi to develop tailored

propositions and provide heating comfort for people in the UK

- [Bramble Energy](#) – a start-up manufacturing printed circuit board fuel cells – will broaden the approach to engineering fuel cells, which typically incorporates multiple design cycles. The company intends to go to users first, to develop new products that better meet customer needs and are quicker to market
- Cambridge Animal Technologies is exploring livestock farming, including monitoring, managing and taking care of the health of the herd. The project will generate a portfolio of conceptual design solutions, based on the principals of user-centric design
- [Comp-A-Tent](#) is leading a project to reduce the impact of abandoned tents at musical festivals, with more than one in 5 tents being left behind. It will leverage existing festival infrastructure to prevent abandonment and reduce environmental and economic costs
- [Hubl Logistics](#) with its 'delivery mate' project will put the recipient in control of their online shopping deliveries, whether they are a homeowner, business or public body. It should enhance the customer experience while reducing pollution and congestion
- [Thames & Hudson](#), a publisher and distributor of books on visual culture, will investigate how mobile technology can enhance and augment the physical experience of discovering, buying and experiencing illustrated books
- [The Future Care UK Ltd](#) will develop a wearable monitoring system for infants of less than 12 months. It will enable more efficient monitoring, to allow sick babies to live at home with their parents, as well as quicker and more accurate diagnosis. The designs will be tested with patients, parents/guardians and hospital staff

Putting people at the centre of the creative process

Ben Griffin, Innovation Lead, Innovate UK, said:

Great design puts people at the centre of the creative process, inspiring solutions that are not only technically feasible but also more desirable and useful. This is important because while technology can make new ideas possible, it is people that ultimately make them successful.

Design has greater impact and value when it's used early to clarify the opportunity, inspire the creative process, support decision making, improve communications and reduce the risk of costly late-stage discoveries and rework.

The UK has world-class design capability, but it's not always used to its best advantage, missing out on potential value and competitive advantage as a result. This competition aims to support businesses seeking to integrate human-centred design into their innovation process.

Press release: CMA helps microbusinesses combat energy overpricing

During its 2-year [investigation into the energy market](#), the Competition and Markets Authority (CMA) found that about 45% of microbusinesses across Great Britain were stuck on their supplier's expensive 'default' tariffs. The study concluded that it was difficult for owners to shop around and switch to cheaper deals, as energy price information was not easily available. In some cases, microbusinesses also found themselves being 'rolled over' onto these contracts, with limited opportunities to switch, when their original deal ended. It is hoped these remedies will help microbusinesses save up to £180 million a year.

The CMA ordered suppliers to stop locking these small firms into automatic rollover contracts and make it easier for microbusinesses to compare the cheapest energy prices, by making information clearly available on their website, or via a link to a price comparison website. They were given until today to make these changes, and from now on are required to comply with these requirements.

Roger Witcomb, Chairman of the Energy Market Investigation, said:

Small businesses rely on keeping overheads down to survive, so to find that nearly half of the microbusinesses across the country were on pricey default deals was worrying.

That's why the CMA ordered energy suppliers to stop automatically rolling small business customers onto fixed-term tariffs and to help their customers more easily find information on the deals available. These, alongside 30 other measures resulting from the investigation, will help energy customers make sure they are on the most competitive deal in future.

Dermot Nolan, Ofgem Chief Executive, said:

The requirement on suppliers to clearly display their prices online to microbusinesses will make it much easier for these businesses to compare prices and shop around. This is a big change in the way the market works. Microbusinesses will also be able to leave more expensive auto-rollover default tariffs without paying an exit fee, freeing them to switch to a better deal.

We'll be working closely with suppliers to make sure they give microbusinesses clear information on the prices they offer in line with the regulation. We are considering what further steps could be taken to protect and help these businesses customers engage in the market as part of our wider programme to make sure all consumers – business and domestic – get a better deal.

Mike Cherry, National Chairman at the Federation of Small Businesses (FSB), said:

For too long, many small businesses have had a raw deal in the energy market. These CMA remedies are a step in the right direction. Published prices and a ban on unfair auto-rollover terms should bring some much-needed fairness and transparency to the energy market for microbusinesses.

Mike Spicer, Director of Economics at the British Chambers of Commerce (BCC), said:

Energy is a major cost for many companies so it's important they understand what flexibility there is when it comes to managing these expenses. Businesses, like residential users, can save significant amounts by testing the market for their energy. The remedies announced by the CMA, particularly the halt on automatically rolling companies onto fixed-term tariffs will help ensure that fewer are paying more than they should.

In [June 2016](#) the CMA published its full report following a comprehensive investigation of the energy market. As well as identifying that householders could save around £300 a year if they moved to the best available deal, it also found a disparity with the way suppliers treated business customers.

Energy suppliers only published a full list of available tariffs for domestic customers, so it was more difficult for microbusinesses to compare and switch energy deals than for households. Automatic rollover clauses meant that if a fixed-term contract was not terminated or renegotiated before its end date, then some contracts would automatically continue, often at a higher tariff and with termination fees and no-exit clauses that made it expensive to switch.

Taken together the CMA's measures will not only drive down bills, they will also make it easier for microbusinesses to switch suppliers once their initial contract has ended. Microbusinesses will only need to add 2 relevant pieces of information, their post code and rate of consumption, to get a personalised quote.

The [order](#) and all other information published in relation to the investigation are available on the [energy market investigation case page](#). A

[short overview](#) of the investigation is also available, along with a [summary of the changes for microbusinesses](#).

Notes for editors

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law.
2. Roger Witcomb recently [delivered a speech](#) setting out progress in implementing the investigation's remedies, one year on.
3. For more information on the CMA see our [homepage](#), or follow us on Twitter [@CMAgovuk](#), [Flickr](#), [LinkedIn](#) and like our [Facebook](#) page. Sign up to our [email alerts](#) to receive updates on markets cases.
4. Media enquiries should be directed to Beatrice Cole (beatrice.cole@cma.gsi.gov.uk, 020 3738 6472 or 07774 134 814).

News story: Cladding sample testing update

The number of high rise buildings which have failed a combustibility test is now 60 across 25 local authority areas

Sajid Javid MP, Secretary of State for Communities & Local Government, published a [statement on Saturday 24 June](#) which detailed the work being undertaken to ensure the safety of residents in high-rise buildings following the Grenfell Tower tragedy.

The number of high rise buildings from which cladding samples have failed a combustibility test at the Building Research Establishment is now 60 across 25 local authority areas. All landlords and fire and rescue services for these local authorities have been alerted to the results and we are in touch with all of them to support and monitor follow-up action.

The table below shows the distribution of buildings, naming those areas where we know that the local authority or landlord has informed affected residents that a building's cladding has failed the test.

Local authority area		Number of buildings
1	Barnet	3
2	Brent	1
3	Camden	5
4	Doncaster	1
5	Hounslow	1
6	Islington	1
7	Lambeth	1
8	Manchester	4
9	Norwich	1
10	Plymouth	3
11	Portsmouth	2
12	Stockton on Tees	3
13	Sunderland	5
14	Wandsworth	2
15 – 26	In addition 11 other areas where cladding test failed	27
	Total – 25 areas	60