

# Construction suppliers fined £15m for breaking competition law

Following an investigation by the Competition and Markets Authority (CMA), 2 UK-based companies who supply groundworks products to some of the nation's largest construction firms, Vp plc and M.G.F. (Trench Construction Systems) Ltd, have been fined more than £11.2m and £3.7m, respectively.

The CMA found that the companies colluded illegally to reduce competition and maintain or increase prices. This involved sharing confidential information on future pricing and commercial strategy. They also coordinated their commercial activities to reduce uncertainty, including monitoring each other's prices and challenging quotes they deemed too low.

The CMA has found that illegal collusion between Vp and M.G.F. lasted for periods totalling nearly 2 years, and a third groundworks company, Mabey Hire Ltd, took part for a single period of 5 months. Mabey has not been fined as it brought the illegal activity to the CMA's attention and fully cooperated with the investigation, under the CMA's [Leniency Programme](#).

Groundworks products are used to protect excavations – such as those made for building foundations or for laying pipes – from collapse and are crucial for safe construction work. The companies supply these products for a range of major housing and road developments, railway line works and water pipe upgrades.

Michael Grenfell, Executive Director of Enforcement at the CMA, said:

Today's announcement shows that the CMA continues to crack down on illegal cartel behaviour and protect consumers. The CMA will not tolerate illegal conduct which weakens competition and keeps prices up at the expense of consumers.

This is the fourth time in the last 2 years that the CMA has fined a cartel in the construction sector. It is essential that the sector, which is crucial to the success of our country's economy, can benefit from a competitive marketplace to deliver value, innovation and quality.

The CMA runs a [Cheating or Competing campaign](#), which aims to educate businesses about which practices are illegal and urges people to come forward if they suspect a business has taken part in illegal behaviour. There's also a range of [guidance to help businesses](#) understand more about competition law.

More information is available on the [case page](#).

For media enquiries, contact the CMA press office on 020 3738 6460 or [press@cma.gov.uk](mailto:press@cma.gov.uk).

## Notes to editors

1. The final fines for each of the firms were: £11,235,660 (Vp) and £3,773,910 (M.G.F.).
2. In calculating financial penalties (fines), the CMA takes into account a number of factors including the seriousness and duration of the infringement, turnover in the relevant market, any mitigating and/or aggravating factors, deterrence and the proportionality of the penalty relative to each company's individual circumstances. Differences in fines should not be taken to indicate relative culpability.
3. Recent examples of the CMA's action against cartels involving the construction industry include:
  - [Fining office fit out companies](#) £7 million with 6 directors disqualified,
  - [Fining pre-cast concrete pipe firms](#) £36 million with 2 directors disqualified and disqualification proceedings against 2 other directors ongoing, and
  - [Fining rolled roofing lead firms](#) £9 million.
4. The CMA's findings concern breaches of the Chapter I prohibition of the Competition Act 1998 (CA98) and Article 101 of the Treaty on the Functioning of the European Union (TFEU). As explained in the CMA's guidance, [UK Exit from the EU: Guidance on the functions of the CMA under the Withdrawal Agreement](#), Article 101 TFEU continues to apply in the UK, where applicable, until the end of the Transition Period.
5. The decision is addressed to the following parties, which the CMA has found were directly involved in the infringements or are liable as parent companies of the undertakings directly involved: M.G.F. (Trench Construction Systems) Limited and its parent company MGF Limited, Vp plc, and Mabey Hire Limited and its parent companies Mabey Engineering (Holdings) Limited and Mabey Holdings Limited. The CMA has found that MGF and Vp were involved during 3 periods between 23 September and 4 October 2011, 14 February to 24 November 2014 and 12 November 2015 to 28 November 2016, and that Mabey was involved between 14 February to 16 July 2014.
6. The CMA's [Leniency Programme](#) encourages businesses and individuals to come forward if they are involved in a cartel and those that cooperate may be granted immunity from penalties or significant reductions and immunity from director disqualification orders for cooperating current and former directors. An undertaking may qualify for immunity or a reduced penalty where it has a genuine intention to confess that it has engaged in cartel conduct and provides information that either enables the CMA to launch an investigation or adds significant value to an

existing investigation. Individuals involved in cartel activity may also in certain circumstances be granted immunity from criminal prosecution for the cartel offence under the Enterprise Act 2002.

Anyone who has information about a cartel is encouraged to call the CMA cartels hotline on 020 3738 6888 or email [cartelshotline@cma.gov.uk](mailto:cartelshotline@cma.gov.uk).

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## [RS Venture Connect sail number 307 report published](#)

News story

Fatal accident involving the capsize and full inversion of a self-righting keelboat on Windermere, Cumbria.



Our report on the investigation of the capsize and full inversion of the self-righting keelboat RS Venture Connect sail number 307 resulting in the death of a disabled sailor on Windermere, Cumbria on 12 June 2019, is now published.

The report contains details of what happened, the subsequent actions taken and recommendations made: [read more](#).

A [safety bulletin](#), published in 2019, containing a warning about the securing of retractable keels or retractable weighted centreboards was also produced for this report.

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## Encouraging parties to engage with the UN-led political process to achieve a peaceful end to conflict in Syria

Thank you.

Thanks to Special Envoy Pedersen for his briefing today and for his ongoing efforts to facilitate a sustainable resolution to the conflict through the full implementation of resolution 2254. You have the UK's full support, Special Envoy.

We take note of the meeting of the Constitutional Committee. Any UN-facilitated meeting is an important opportunity for dialogue and building trust between the parties. However, almost five years after the adoption of resolution 2254 and after four meetings of the Committee, it is past time to start addressing the substance and the drafting of a new constitution. We urge the parties to engage constructively on substantive issues during the next meeting in January.

For without a new constitution, free and fair elections involving all Syrians, including members of the diaspora, cannot take place as envisaged in Resolution 2254. Elections that do not meet these requirements would deny millions of Syrians the opportunity to take part in deciding the future of Syria and to share in ownership in the political process as endorsed by this Council.

Beyond the Constitutional Committee, parallel progress needs to be made on other aspects of resolution 2254. We welcome the Special Envoy's engagement with Syrian women and civil society. Ceasefires in the north-west and north-east have averted the devastating levels of violence that we saw this time last year. But violence and hostilities continue, causing the needless deaths of civilians and others, including Turkish soldiers. It is the responsibility of all parties to ensure ceasefires are observed. Counter-terrorism efforts should be coordinated and targeted, and pursued in compliance with international law as set out in paragraph 13 of resolution 2254. As the Special Envoy emphasised, any return of refugees to Syria should also be in accordance with international law and should be safe, dignified and voluntary. If the Syrian regime wants refugees to return, it will need to convince them that they will not return to the status quo that led to and has sustained this conflict.

If the regime changes its behavior and engages genuinely in the political process, this will open the door to full resolution of the conflict. I would also like to thank the Under-Secretary-General, Mark Lowcock, for his briefing. Resolution 2254 is also clear on the importance of unfettered humanitarian access in Syria.

Earlier this month, the UN Global Humanitarian Overview for 2021 showed that 13 million Syrians now require humanitarian assistance. As we've heard, that's nearly 75% of the Syrian population, and an increase of nearly two million people over the past year. OCHA warned that a protection crisis remains with needs resulting from hostilities, widespread explosive hazard contamination, psychological trauma, gender-based violence and family separation, among other things.

As winter takes hold, as we've heard from Mark Lowcock, there are continued gaps in aid delivery. COVID continues to spread and food insecurity continues to make life desperate. As the Global Humanitarian Overview sets out, more and more families are being forced to make unacceptable tradeoffs to survive, including skipping meals, taking on unsustainable levels of debt and, at great personal risk in freezing conditions, traveling to areas where assistance is more assured.

It is clear that efficient, effective, cross-border and cross-line access is essential to meeting the needs of these 13 million Syrians. As the Emergency Response Coordinator has said on multiple occasions, cross-border access is an essential element of the humanitarian response. With the loss of three border crossings over the course of 2020, the system is running at much reduced capacity. Aid running through Bab al-Hawa has never been more important.

So we are concerned to see OCHA reporting in December, that violence delayed delivery of aid in the north-west to 12,000 people, and prevented agreement on cross-line delivery there. The regime also denied access to a humanitarian delivery partner that tried to deliver food to 220,000 people in the north-east. While that suspension was lifted this month, it should not have taken high-level interventions to allow humanitarian workers to deliver food to those in need without fear of injury or harm.

The regime needs to acknowledge the scale and severity of the crisis and allow humanitarians to undertake their vital work. Any impediment is unacceptable.

In regard to the comments of my Russian colleague earlier, Russia and Syria have consistently provided interpretations of the conflict, which are not supported by the independent reports of the UN and the OPCW.

On sanctions, I refer to our statement at the UNSC political session on 19 August. The path to removal of sanctions is clear. Rather than interfering with aid, bombing schools and hospitals, detaining and torturing its people, the regime must heed the calls of its population, and engage seriously with Special Envoy Pedersen and the UN-led political process to achieve a peaceful end to the conflict.

Finally, Mr President, ahead of their departure from the Council, I want to thank our humanitarian penholders, Belgium and Germany, for their tireless efforts on Syria, for calling discussions when violence escalated, for trying to secure a ceasefire resolution on Idlib, and for securing at least some vital cross-border aid access into northern Syria. As we look to 2021 we

should remain resolute in our collective efforts to resolve the crisis in Syria in line with resolution 2254.

Thank you, Mr President.

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## 17 December Meeting of the Withdrawal Agreement Joint Committee

The next meeting of the Withdrawal Agreement Joint Committee will take place on 17 December 2020, by video conference, hosted by the EU.

The meeting will be co-chaired by the Chancellor of the Duchy of Lancaster, Rt Hon Michael Gove MP, and Vice President of the European Commission Maroš Šefčovič.

The agenda will include four items:

- 1) Introduction and opening remarks from co-chairs
  - 1.1) Stocktake of Specialised Committees
  - 1.2) Future Specialised Committee meetings
- 2) Update on Withdrawal Agreement Implementation
  - 2.1) Citizens' rights
    - 2.1.1) Second Joint Report on Residency
    - 2.1.2) Joint Committee Decision on triangulation
  - 2.2) Protocol on Ireland/Northern Ireland
    - 2.2.1) Joint Committee Decisions foreseen by the Protocol
    - 2.2.2) Joint Committee Decision on correction of errors and omissions
    - 2.2.3) Unilateral Declarations
  - 2.3) Dispute settlement – list of arbitrators
- 3) AOB
- 4) Concluding remarks

The UK delegation will include:

- Chancellor of the Duchy of Lancaster, Rt Hon Michael Gove MP

- The Paymaster General, Rt Hon Penny Mordaunt MP

Representatives from the Northern Ireland Executive have been invited to form part of the UK delegation.

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## Joint statement on staying safe at Christmas from the UK Government, Scottish Government, and Welsh Government

As we approach the festive period, the UK Government, Scottish Government, and Welsh Government are seeking to balance pragmatism with the overriding priority of protecting public health. To do this, we have joined together to issue clear guidance and recommendations, as follows.

[A smaller Christmas is a safer Christmas, and a shorter Christmas is a safer Christmas](#). The safest way to spend this Christmas is with your own household or your existing support bubble in your own home – and we strongly recommend that this is what you do if at all possible.

We know the extraordinary lengths that people have gone to this year to protect their loved ones and the NHS. We know that people want to see life return to normal. And with vaccines now being deployed, next year we are confident it will do. But to get there safely, this cannot be a normal Christmas. We must continue to work together to prevent the spread of the virus, and to protect our friends, our families and our front-line workers.

In some areas, the number of people with COVID-19 is rising rapidly, as it is in much of Europe. It is vital that we all act responsibly over Christmas to limit the risk of further transmission and keep each other as safe as possible. One in three people who have COVID-19 don't show symptoms but can still pass on the virus.

To protect you and your loved ones, we recommend that you think very carefully about the risks of forming a bubble. Discuss alternatives to meeting up in person, or ways of meeting up outdoors instead. Only form a bubble if you feel you absolutely need to.

If you do decide you need to [form a Christmas bubble](#), take precautions to minimise risk by stopping unnecessary social contact outside your immediate household as soon as possible, and for at least five days before you meet other households in your bubble, and by working from home if you can. On no account should you visit another household if you, or anyone in your household, is feeling unwell or is self-isolating.

Scientific advice is clear: the longer you meet others for, the higher the risk of you catching and spreading the virus. If you do intend to form a bubble, you should keep the bubble small and your visits short.

The five day period is a window of opportunity and should be seen as a legal maximum, not a target. If you do form a bubble, we recommend that you meet with it for the shortest possible time. You should not stay overnight unless absolutely unavoidable.

It is particularly important to think about the greater risks to more vulnerable people. If you are over 70 or clinically extremely vulnerable, think carefully about the risks. The safest approach may be not to form a [Christmas bubble](#). If you do form a [Christmas bubble](#), then be especially careful to observe the guidance: meet outdoors where possible, wash your hands regularly, keep a distance from those you do not live with. If you meet indoors, ensure good ventilation by letting in fresh air. The clinically extremely vulnerable and the elderly will be prioritised for vaccination in the early part of next year.

If you are in an existing household or support bubble with someone who is clinically extremely vulnerable, think carefully. To help reduce the risks to their health, the safest approach would be to celebrate with your household or support bubble and not with others.

If you are forming a [Christmas bubble](#) you should consider carefully the risks of travelling at all. If you live in an area with the highest level of protection, for example, tier 3 in England and level 4 in Scotland, you should avoid travelling to lower prevalence areas where possible. Each administration will issue specific travel advice based on its own circumstances. If you have to travel, book ahead to enable you and others to travel safely and plan your outward and return journeys carefully. Once you arrive you should stay local and not travel within the area.

If you form a [Christmas bubble](#), practise safe behaviours: washing your hands, making space between members of different households wherever you can, and letting in fresh air. Following these behaviours, even within the home, will greatly reduce the risk of transmission.

We will all need to carry on practising safe behaviours after Christmas. This means shopping only if you can do so safely: shop online where you can; avoid crowds; and, if you are in crowded areas, wear a face covering and only go where it is well ventilated.

It is also really important to cut down on social contact after seeing your [Christmas bubble](#), to reduce the risk of chains of transmission. This includes not meeting up with friends or family outside your household for New Year's Eve. The tier or level rules will be in place on New Year's Eve / Hogmanay and it is essential, as the minimum, that these are followed by everyone.

By taking these steps together, we can all enjoy a safer Christmas.