

Update on the proposed acquisition of Meggitt plc by Parker-Hannifin Corporation

Press release

Business Secretary Kwasi Kwarteng updates on the proposed acquisition of Meggitt plc by Parker-Hannifin Corporation.



Following advice from the Ministry of Defence and the Competition and Markets Authority and after reviewing the results of two separate consultations, the Business Secretary has today (Tuesday 19 July) cleared the acquisition of Meggitt by Parker-Hannifin to proceed.

The announcement follows the Business Secretary consulting on steps to address the national security and competition concerns raised by the proposed acquisition of Meggitt, a UK aerospace company, by Parker-Hannifin, a US-listed company which supplies components to the mobile, industrial and aerospace markets globally. The government consultation on the undertakings offered by the companies to address the concerns identified ran until 13 July 2022.

The Business Secretary has now accepted undertakings from the parties to mitigate national security risks and competition concerns.

The undertakings to mitigate the national security concerns came into force today and details are available in the [decision notice](#). In summary, the undertakings are:

- Security of Supply: ensuring that Parker will commit to honouring existing contracts while they are in place and will notify the MOD in advance if there is a material change to Meggitt's ability to supply the MOD
- Information Security: reinforcing the commitment to existing List X / Facility Security Clearance site security arrangements protecting sensitive HM government information in Meggitt, including a requirement

to retain a majority of the Board of Directors of Meggitt as UK nationals resident in the UK

- Sovereign UK Capabilities: requiring Parker-Hannifin to institute an HM government-approved control plan to prevent International Traffic in Arms Regulations (ITAR) controls applying to ITAR-free products designed and manufactured by Meggitt. The undertakings would allow the MOD to add new technology to future-proof the remedy

The undertakings to mitigate the competition concerns also came into force today and details are available on the [decision notice](#). In summary, the undertakings will deliver the divestment of Parker's aircraft wheels and brakes ('AWB') division (the 'Divestment Business') to a purchaser approved by the Secretary of State. The Divestment Business includes:

- all tangible assets (including the production site of the AWB division located at Avon, Ohio, USA, as well as the relevant inventory and equipment) and intangible assets (including intellectual property rights)
- all licences, permits, authorisations issued by any governmental organisation for the benefit of the Divestment Business
- all contracts, leases, commitments, and customer orders of the Divestment Business
- all customers credit and other records of the Divestment Business
- all staff currently employed by the Divestment Business, including staff seconded to the Divestment Business, shared personnel as well as certain additional personnel

Separately from the competition and national security issues, Parker-Hannifin has provided [economic undertakings](#) to the Secretary of State. It has committed to the following:

- Parker-Hannifin will continue to use the Meggitt name in combination with its own and will retain Ansty Park as its UK headquarters and its centre of excellence for aerospace and advanced materials
- It will increase R&D activity including undertaking research and technology projects relating to sustainable aviation and net zero.
- It will protect jobs.

These undertakings, which were voluntarily provided by Parker-Hannifin, secure the future of Meggitt and the important role it plays in the UK aerospace sector.

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NHS staff to receive pay rise

- Government today accepts recommendations in full from the independent NHS pay review bodies
- Over one million NHS staff – including nurses, paramedics and midwives – to get a pay rise of at least £1,400 with lowest earners to receive up to 9.3%
- Eligible dentists and doctors will receive a 4.5% pay rise
- Pay rise recognises the contribution of NHS staff while balancing the need to protect taxpayers, manage public spending and not drive up inflation

The government has today accepted the recommendations from the independent NHS pay review bodies in full.

The pay review bodies considered a range of evidence from various organisations including government, the NHS and trade unions.

All NHS staff under the remit of this year's pay review will receive a pay rise. Over one million staff under the Agenda for Change contract, including nurses, paramedics and midwives, will benefit from a pay rise of at least £1,400 this year backdated to April 2022. This is on top of the 3% pay rise they received last year, despite a wider public sector pay pause.

This means that the lowest earners such as porters and cleaners will see a 9.3% increase in their basic pay this year, compared to last year. The average basic pay for nurses will increase from around £35,600 as of March 2022 to around £37,000 and the basic pay for newly qualified nurses will increase by 5.5%, from £25,655 last year to £27,055.

Dentists and doctors within the Doctors and Dentists' Remuneration Body (DDRB) remit this year will receive a 4.5% pay rise as the government accepts the recommendations of the independent NHS Pay Review Body (NHSPRB) and the DDRB in full.

Across the public sector, these are the highest uplifts in nearly twenty years, reflecting the vital contributions public sector workers make to the country and the cost of living pressures facing households.

Last year, NHS staff received a 3% pay rise while the government temporarily paused pay rises for wider public sector workers with salaries over £24,000. This means that over the last five years, the non-medical workforce (including nurses and paramedics) has on average received a cumulative pay rise of over 18% and consultants have received a cumulative pay rise of around 15%.

The average nurse's salary has increased from £32,385 in 2018/19 to £37,000 in 2022/23, following this latest pay rise.

Some staff will also continue to benefit from performance pay, overtime, pay progression and pay rises from promotion, alongside the pay uplift.

Health and Social Care Secretary Steve Barclay said:

This government hugely values and appreciates the dedication and contribution of NHS staff which is why we will give over one million NHS workers a pay rise of £1,400 this year, on top of the 3% they received last year when pay rises were temporarily paused in the wider public sector.

We asked the independent pay review bodies for their recommendations and I am pleased to accept them in full.

We want a fair deal for staff. Very high inflation-driven settlements would have a worse impact on pay packets in the long run than proportionate and balanced increases now, and it is welcome that the pay review bodies agree with this approach.

Pay awards this year strike a careful balance between recognising the vital importance of public sector workers, whilst delivering value for the taxpayer, not increasing the country's debt further and being careful not to drive even higher prices in the future. Sustained higher levels of inflation due to very high inflation-driven settlements would have a worse impact on pay in the long run than proportionate and balanced increases now.

Those already in multi-year deals were not in scope of the pay review body's recommendations this year. In 2018, the government and BMA agreed to a multi-year pay deal for junior doctors. Now in its final year, this guaranteed an 8.2% rise in pay over four years. It came alongside £90 million of additional investment, providing the most experienced junior doctors with higher pay, increasing allowances for those working the most frequently at weekends and increasing rates of pay for shifts finishing between midnight and 4am.

As a result of continued investment in recruitment and retention of the health and social care workforce, there are over 4,000 more doctors and over 9,600 more nurses working in the NHS compared to last year and the NHS will publish a 15-year workforce plan in due course demonstrating its continued commitment to recruiting, developing and retaining the best staff.

The pipeline for domestic doctors is being significantly expanded and the number of funded medical school places has increased by 1,500 (25%). The first wave of these students will begin to enter foundation training from this year. This expansion has also delivered five new medical schools in England.

Alongside this, all eligible nursing, midwifery and allied health professional students will benefit from a training grant worth at least £5,000 a year, with up to £3,000 extra available for childcare and those studying certain specialisms.

As part of a £210 million investment in professional development, every nurse, midwife and allied health professional working across NHS hospital and community care and general practice has access to a personal training budget

of more than £1,000 over three years to support their personal learning and development needs.

The government has targeted wider support for the cost of living to those most in need. The pay awards should be viewed in parallel with the £37 billion package of support that has been provided. Most overall pay awards in the public sector are similar to those in the private sector. The median private sector pay settlement, which is the metric most comparable to these Pay Review Body decisions, was 4% in the three months to May.

Additional information:

- The NHS Pay Review Body (covering all non-medical staff such as nurses, allied health professionals, admin, porters etc) recommended a £1,400 consolidated uplift to full-time equivalent salaries, enhanced for the top of Band 6 and Band 7 so it is equal to a 4% uplift.
- The Review Body for Doctors' and Dentists' Remuneration (covering doctors and dentists not in multi-year deals) recommended a 4.5% increase.
- The Senior Salaries Review Body (covering Very Senior Managers in the NHS and Executive Senior Managers in DHSC's arm's length bodies) recommended a 3% increase, with a further 0.5% to ameliorate the erosion of differentials and facilitate the introduction of the new Very Senior Managers framework. We have accepted this recommendation in full, although funding for these staff groups comes out of local budgets.
- The 9.3% increase in basic pay for lowest earners is in comparison to 2021/22 pay scales and includes a interim top-up received in April.
- The government is committed to living within its means and delivering value for the taxpayer, and therefore we are reprioritising within existing Departmental funding whilst minimising the impact on front line services.

Action taken after dry weather in Cambridgeshire and Bedfordshire

Following a dry spring, river flows and some groundwater levels are 'below normal' in parts of the rivers Great Ouse and Old Bedford in Bedfordshire and West Cambridgeshire.

Prolonged dry weather is a natural event. It occurs as a result of low rainfall for an extended period of time. Once prolonged dry weather is declared actions are taken to minimise impacts on the environment and the risk of further deterioration.

Impacts of this weather are already being felt in Cambridgeshire and Bedfordshire with river flows becoming lower, causing problems for wildlife

and river users.

The Environment Agency has been monitoring the situation and reviewing the range of dry weather indicators, including groundwater levels, river flows and soil conditions.

It also has teams ready to respond to reports of low dissolved oxygen levels in watercourses to help protect fish populations.

Abstraction licence holders in the affected areas are likely to receive notice to restrict the amount of water they take as described in their licence conditions. This may include taking reduced quantities or only abstracting at particular times, depending on local circumstances.

Helen Smith, a drought manager for Environment Agency in East Anglia, said:

We continue to monitor our key river, groundwater and reservoir sites using telemetry, and are liaising with water companies to understand any emerging concerns.

We are also working with farmers, businesses and other abstractors to manage water availability and ensure that they get the water they need to be resilient while maintaining our protection of the environment.

We are closely monitoring the developing incident and produce regular reports on the water situation, available on www.gov.uk.

In the lead up to this announcement the Environment Agency has been monitoring weather forecasts, hydrology, and the impacts on the environment.

Field teams have been busy sampling to check for the impacts of dry weather on the ecology.

We have also been meeting with water companies so we can share information and request action to be taken in accordance with their drought plans.

We can all do our part to use water wisely and manage this precious resource. If you are using water in the garden, take some simple steps such as fitting a trigger to your hose or using a bucket to wash the car or water plants. For more water saving tips visit Waterwise.

If people see any environmental impacts due to dry weather, such as fish in distress, please report it to the Environment Agency 24/7 on 0800 80 70 60.

Additional information

- The last time East Anglia moved to prolonged dry weather status was in 2020 for the Cam and Ely Ouse area.

- The last time East Anglia declared drought was in May 2019. This drought resulted from three years of exceptionally dry weather across the southeast. It was declared as an environmental drought. The winter rainfall replenished groundwater levels but the dry spring has seen levels drop in some areas.
- The Environment Agency's regulatory role involves issuing and regulating abstraction licences and drought permits, imposing abstraction restrictions and scrutinising water company drought plans to ensure they are robust and fit for purpose.
- Water companies plan for the expected increase in demand and reduction in effective rainfall over the warmer months and decide themselves on proposing water restrictions. We work closely with the companies to ensure they follow their drought plans.

Second stage of Angiolini Inquiry to be brought forward

News story

Part 2 of the Angiolini Inquiry to commence.



In a [letter](#) sent to Lady Elish yesterday, the Home Secretary has agreed that Part 2 of the Angiolini Inquiry should proceed as soon as practically possible.

Priti Patel stressed that the work of the Inquiry should progress given its vital importance in giving the public full confidence that the police are there to protect them.

The Angiolini Inquiry was established in the wake of the murder of Sarah

Everard to understand how a serving police officer was able to carry out this horrendous crime and what lessons need to be learnt so that policing, and its partners, can do everything possible to ensure it doesn't happen again.

The Inquiry has recently announced that it will not be possible to publish the findings of Part 1 of the Inquiry until criminal and misconduct proceedings related to the case have concluded.

Part 1 of the Inquiry is looking in detail at the timeline of Wayne Couzens' career, including all allegations of criminal behaviour and misconduct, decisions taken in relation to his vetting and the extent to which any concerns were either known and/or raised by colleagues.

Part 2 is expected to consider what broader issues have arisen for policing from this and other tragic cases, as well as steps that the police and its partners can take to ensure the protection of women.

The Home Secretary will remain in dialogue with Lady Elish as the scope for Part 2 is developed.

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Simon Blagden CBE confirmed as new Chair of Building Digital UK

Simon Blagden CBE has been appointed by Digital Secretary Nadine Dorries to chair Building Digital UK (BDUK) – the agency in charge of delivering the government's roll out of faster broadband and mobile coverage across the UK.

Simon has 30 years' experience in the IT, telecoms and digital industry. For 14 years he was non-executive Chairman at Fujitsu Telecommunications UK.

The new role will place him at the helm of the executive agency overseeing Project Gigabit, the biggest broadband roll out in British history backed with a record £5 billion to connect hard-to-reach areas across the UK, as well as the £1 billion Shared Rural Network which will dial up 4G phone signal rural areas.

In 2000 he joined Spescom, a specialist business communications technology group based in Johannesburg, as CEO to lead its international telecoms and IT business. He continues to serve as non-executive Chairman of management consultancy Larkspur International. In 2016, he was awarded a CBE for services to the economy.

He will step down as Chair of the Telecoms Supply Chain Diversification (TSCD) Advisory Council, a position he has held since last year. The Advisory

Council is a non-statutory advisory committee of independent members set up to provide advice to the government on measures to build a more diverse, innovative and secure telecoms supply chain.

Digital Secretary Nadine Dorries said:

“ BDUK is critical to rolling out the lightning-fast broadband and mobile coverage needed to improve lives and drive productivity across the UK. Simon will be an extremely capable chair of BDUK thanks to his deep understanding of telecoms and wide breadth of experience in the sector.

“ He will lead the team delivering the country’s biggest digital connectivity projects, including our £5 billion investment in Project Gigabit and the £1 billion Shared Rural Network.”

Chair of BDUK, Simon Blagden CBE, said:

“ I’m pleased to be taking on the role as Chair of BDUK at this exciting time for the telecoms sector. I am determined to use my experience gained through more than 30 years in the industry to maximise BDUK’s potential and to advance the pace and ambition of our delivery.

“ Communities from Perth in Scotland to Padstow in Cornwall are already benefiting from gigabit-capable connections to their homes, businesses, schools, hospitals and libraries. My priority will be for BDUK to build on these foundations and deliver the digital infrastructure that is vital for people, communities and businesses across the UK.”

Ends

Notes to editors

Chair appointment

- The appointment is for a term of four years. The role is for two days per week, remunerated at £80,000 per annum.
- The new Chair was appointed through a fair and open process, in line with the methods used for other DCMS Public Appointments.
- Responsibilities include, but are not limited to:
 - Playing a leading role in BDUK’s engagement with its key stakeholders, both within government and externally with telecommunications network providers and suppliers
 - Establishing a close and effective working relationship with the CEO and ensuring that the Board is effective in holding the executive to account for programme delivery and providing direction
 - Effectively leading the Board, drawing out the skills and experience of other Non-Executive Directors
 - Promoting the highest standards of integrity, probity and corporate governance, ensuring that BDUK complies with all governance requirements
 - Ensuring the Board has a succession planning strategy, including providing advice to Ministers on other appointments to the Board; maintaining a focus on promoting equality and diversity through

Non-Executive and Executive appointments and throughout the organisation as a whole

Building Digital UK

BDUK is an executive agency, sponsored by the Department for Digital, Culture, Media & Sport. It works to ensure that homes and businesses across the UK can access fast and reliable digital connectivity, by investing in the rollout of gigabit-capable broadband across fixed and mobile networks.

Project Gigabit

Project Gigabit is the government's flagship £5 billion programme to connect hard-to-reach communities unlikely to be connected through commercial rollout, meaning families no longer having to battle over bandwidth and people in rural areas can have the freedom to live and work more flexibly, helping businesses to grow and vital public services to thrive.

The faster connections delivered by the scheme have been levelling up rural communities across the UK: enabling businesses to grow by using digital technology to boost their productivity and giving people living in more remote areas better access to good jobs.

Shared Rural Network

The Shared Rural Network is the government's £1 billion deal with the four Mobile Network Operators to ensure 95% of the UK's geography has a 4G signal by the end of the programme. This will be delivered through a shared network of new and existing phone masts in partial not spots (areas where there is currently coverage from at least one, but not all operators) and total not spots (areas where there is currently no coverage from any operator). More information on the programme can be [found here](#).