

# [News story: Airline Insolvency Review to examine protection for air passengers](#)

Repatriation and refund protection will be considered as part of an independent review into the levels of protection that are available for passengers who find themselves impacted by the failure of an airline.

The Airline Insolvency Review will also examine how the market could be reformed to ensure that passengers are better protected. This will include looking at ways of allowing airlines to wind down while at the same time carrying out and financing the repatriation of passengers.

Following the collapse of Monarch Airlines in October 2017, 110,000 passengers were left without transport home, leading the government to successfully carry out the [biggest ever peacetime repatriation programme](#). This review will consider if there are alternative models that can provide protection ensuring consumers can travel with peace of mind, knowing that they are never without safeguards.

Today (30 March 2018) the Department for Transport has published the [terms of reference for the review](#), outlining the next steps for progress in this area.

The review independently chaired by Peter Bucks will provide an interim report to the Secretary of State for Transport by summer 2018. It will outline the potential options that could be put in place to repatriate passengers of a collapsed airline. It will be supported by a team of professional advisers.

A final report will be produced by the end of 2018 which will offer recommendations on repatriation, refunds and the current financial protection arrangements for air-travel holidays.

Aviation Minister Baroness Sugg said:

It is hugely distressing for British holidaymakers to find themselves stranded abroad due to the failure of an airline or travel company.

We are determined to put passengers at the heart of transport which is why we have announced the Airline Insolvency Review and appointed an independent chair to consider how best to protect passengers.

I have asked Peter to look at all the possible options including new legislation to ensure that passengers are able to get home if their airline collapses.

Airline Insolvency Review chair, Peter Bucks said:

Given the scale of changes in the air travel market over the past decade it is high time to take a fresh look at how well consumers are protected in the event of an airline insolvency.

Recently we have seen first-hand the very real consequences of an airline failure and the distress that this can cause for passengers.

This review will engage with stakeholders to establish what could be done in the event that travellers need to be repatriated and how best this is achieved.

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## **Press release: Government delivers on manifesto pledge with £6 billion package to help end fuel poverty and drive innovation in energy efficiency**

- Flagship £6 billion energy efficiency scheme to start with re-focusing flagship scheme entirely on low-income and vulnerable, cutting bills for thousands more families until at least 2028
- plans to extend the Warm Home Discount ensuring over 2 million low income and vulnerable customers receive £140 off their energy bills next winter
- drive to increase world-leading British innovation in green technologies as part of the government's Clean Growth Strategy

Nearly a million more low-income households are set to benefit from innovative energy saving measures under new plans outlined today by the Minister for Energy and Clean Growth Claire Perry, as part of the Clean Growth Strategy.

A consultation has been launched today to focus [Energy Company Obligation \(ECO\)](#), the government's flagship energy efficiency scheme to tackle fuel poverty and reduce carbon emissions by providing energy efficiency upgrades and heating measures – entirely on low income households. Currently only 70% of beneficiaries are from low income families. Since the scheme was launched in 2013, more than 1 in 16 homes have benefitted from over 2.2 million improvements.

This is the latest step in the delivery of the [government's Clean Growth](#)

[Strategy](#), aiming to bring 2.5 million fuel poor homes up to an Energy Performance Certificate rating of C by 2030, helping to save energy and bring down bills.

Alongside this, a separate consultation looks ahead to [changes to the Warm Home Discount](#) beyond next winter which will enable all payments to be made automatically. The Warm Homes Discount provides a much needed top up of £140 to the energy bills of the most vulnerable in society. The consultation will also include extending eligibility to people who receive Universal Credit who are in work and earn less than £16,190 a year.

Speaking on a visit to [Q-bot](#) in Wandsworth South London, an award-winning technology company which has developed robots to install underfloor cavity insulation quickly and easily, Energy and Clean Growth Minister Claire Perry said:

We have made clear our commitment to eradicating fuel poverty and by making our flagship energy scheme 100% focused on low-income families we are taking another step towards achieving this goal.

As set out in our Clean Growth Strategy, we also want to continue to drive world-leading British innovation in green technologies for the benefit of all consumers. That's why we are increasing the opportunity for energy suppliers to get funding to develop new and innovative energy saving products and services, like the award-winning company Q-bot's robotic insulation service.

The proposed changes to focus 100% of the ECO scheme on the fuel poor would see energy saving improvements like insulation and modern efficient heating systems installed in 900,000 homes by March 2022. The government also committed to maintaining funding for home energy efficiency until at least 2028 as part of the Clean Growth Strategy, a total of just over £6 billion.

At the end of February the government also took action for 11 million households on [poor value standard variable tariffs](#) by introducing a landmark Bill into Parliament for a temporary price cap on these tariffs until effective competition is in place.

## Notes for editors

1. The consultation on the new Energy Company Obligation scheme is open until 29 April 2018.
2. The current Energy Company Obligation scheme will end in September 2018. The scheme places an obligation on larger energy suppliers (currently 15) to deliver heating and energy efficiency measures. This is split between Affordable Warmth, for low income and fuel poor households (which accounts for 70% of the scheme) and the Carbon Emissions Reduction Obligation (the remaining 30%), which is available to all households.
3. The ECO programme requires energy suppliers with over 250,000 customers

to provide energy efficiency upgrades and heating measures to homes across Britain.

4. In line with the government's Industrial Strategy, the refocused scheme includes proposals to support innovation in the sector. Suppliers will be able to devote up to 20% of their delivery target to supporting innovative measures. If all suppliers do this then as much as £128 million could be spent supporting British innovation.
5. Since ECO was launched in 2013, more than 1 in 16 homes across Britain have benefitted from over 2.2 million improvements installed.
6. The ECO consultation will also look at increasing parts of the scheme delivered through local referrals enabling local authorities to identify households who will benefit the most from energy efficiency measures, including those with health problems that are made worse by cold homes.
7. The proposals to extend the current [Warm Home Discount](#) scheme are open for consultation until 29 April 2018.
8. The government is also currently looking at ways to make it easier for those eligible for the Warm Home Discount to receive it automatically. A consultation was launched earlier this year on new data sharing powers to better target those households which are fuel poor and would benefit most from a rebate on their energy bills.
9. Reforming and extending policies on fuel poverty are a key part of the government's commitment to protect vulnerable consumers. Ofgem recently extended its Safeguard Tariff Cap on pre-payment meter tariffs to protect a further 1 million vulnerable households, bringing the total protected to 5 million households this winter.

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## [Press release: Search begins for a UK 5G city of the future](#)

The Urban Connected Communities Project, a key part of the Industrial Strategy and the next step in the government's 5G Testbed and Trials Programme, will develop a large-scale, citywide testbed for wireless 5G infrastructure.

This will include testing how new technology can make urban communities inherently safer, greener, more efficient and more attractive places to live. It is expected the winning bid will be trialling a variety of initiatives, which could include:

- Doctors and other health care professionals using real-time video consultation and remote treatment for those less able to travel
- Making traffic jams and disjointed journeys a thing of the past through widespread use of sensors and real-time monitoring and management of

traffic and public transport

- Revolutionising the way visitors experience tourist venues through the use of augmented and virtual reality technologies
- Maintenance of manufacturing assembly lines through use of robotics and augmented reality would enable millions of measurements per second to be taken to predict when parts need replacing or rerouting to improve productivity.

Digital Minister Margot James said:

This is a huge opportunity for an urban area to become the flagship of our ambitious programme to make Britain fit for the future and a world leader in 5G.

Trialling 5G at scale across an entire city is a chance to prove the economic benefits predicted from this new technology, test different methods of deployment and boost the connectivity of ordinary people working and living there.

Funding for the project will come from the £200 million assigned so far to develop 5G technologies as part of over £1bn investment in next-generation digital infrastructure, including through the £31bn National Productivity Investment Fund (NPIF).

The Department for Digital, Culture, Media and Sport (DCMS) is now seeking expressions of interest from local or combined authorities with a coverage area in the region of 500,000 people to be the public sector partner and lead the delivery of the project. Interest from large cities below 500,000 population but with very strong, clear digital leadership and vision will be considered.

As well as enhancing connectivity for residents and businesses the urban testbed will trial 5G applications across multiple sectors including public services, industry, transport, healthcare, media and entertainment, and allow different deployment models to be explored.

The project will specifically target 'pinch-points' of poor connectivity in cities, including areas of high demand such as mainline stations or city centres where heavy usage rather than a lack of signal leads to not-spots.

Robert Driver, CEO of Cambridge Wireless on behalf of UK5G said:

Following the successful launch just this week of UK5G, the new 5G innovation network for the country, we are delighted to see the government announcing such ambitious plans to fund a large scale 5G testbed within an urban environment.

This, along with the other projects being funded, will accelerate the development and adoption of 5G in the UK. We look forward to working with Government to make this a success.

The 5G Testbeds and Trials Programme forms part of the Government's Industrial Strategy, aimed at continually driving the UK's connectivity, telecommunications and digital sectors, and investing in the skills, industries and infrastructure of the future.

The NPIF is designed to bolster UK productivity, which is crucial to raising living standards. Through the NPIF, the government is investing in the vital infrastructure needed to make it easier for people to connect with others, and work remotely and flexibly.

Following a competitive process, the government expects to select a location in summer 2018. The urban project will be followed in the summer by a large-scale Rural Connected Communities Project.

ENDS

## **Notes For Editors**

1. Expressions of interest can be made from 30 March with a closing date for applications of 5 June. DCMS will then work with the selected local authority to choose delivery partners for infrastructure and network services, who can bring the 5G technology into service and operate them through the trial period.
2. Local authorities and industry will both have the opportunity to participate in workshops for the project commencing from the end of April 2018 and running until June 2018.
3. Earlier this month, the government announced six winning projects from across the UK to test 5G technology.
4. Also this month was the launch of UK5G, a new national innovation network dedicated to the promotion of research, collaboration and the commercial application of 5G in the UK. Interested parties can apply to join the network at [www.UK5G.org](http://www.UK5G.org).

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## **Government response: Government responds to GKN/Melrose takeover**

Commenting on today's decision by GKN shareholders to accept the terms of the bid by Melrose PLC., Business Secretary Greg Clark said:

As a competitive economy Britain has always had vigorous contests for the management of public companies. Competition for how a

business should best be run drives efficiency and competitiveness, which is important for the economy and stakeholders.

During the bid, Melrose made commitments which they are bound to honour including investment in research and development and maintaining itself as a UK business.

Now that shareholders have made their decision the government has a statutory responsibility to consider whether the merger in its proposed final form gives rise to public interest concerns in the areas of media plurality, financial stability and national security. This assessment will be made by the appropriate authorities and the conclusion set out in due course.

This is the first major takeover to have taken place in the UK since new changes to the [Takeover Code](#) were introduced earlier this year. These give companies subject to a bid more time to prepare their response as well as requiring bidders to make earlier and fuller disclosures of their plans for target companies. Bidding companies who are successful in their takeovers now also have to publish reports on their compliance with the plans they announced during the course of an offer.

## **Commitments**

The process of takeovers of listed companies is governed by the Takeover Code, overseen by the independent Takeover Panel, who are the independent body which issues and administers the Takeover Code, and supervises and regulates takeovers.

Following discussions with the Business Secretary as well as the Takeover Panel, Melrose agreed to legally enforceable commitments to be honoured should their bid be successful.

These include 5 year binding commitments to:

- maintain its UK listing
- maintain its UK headquarters
- maintaining a UK workforce
- ensure a majority of its directors are resident in the UK
- ensure the Aerospace and Driveline divisions retain the rights to the GKN name

Melrose has also crucially committed to maintaining GKN's current level of research and development investment for the next five years.

## **Powers under the Enterprise Act**

Under the Enterprise Act 2002, the Secretary of State has powers to intervene in mergers that raise public interest concerns.

The government can still intervene. These powers apply both to mergers that have already taken place (subject to time limits) and to those that are

proposed or in contemplation.

## **Changes to the Takeover Code**

Recent changes to the Takeover Code introduced earlier this year require:

1. Bidders to be more specific in their plans for a target company. This would include making statements of intention regarding: the company's research and development, the balance of skills and functions of the company's employees, and the location of the company's headquarters.
2. Statements of intention to be made at the time of a bidder's announcement of its firm intention to make an offer.
3. Bidders to not publish an offer document for 14 days from the announcement of their intention to make an offer without the consent of the board of the target company.
4. Companies to publish reports on their compliance with the plans they announced during the course of an offer.

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## **News story: Maintained stability in provider allocations**

On the adult education budget, we continue to maintain levels of investment. Grant provider block grant allocations are rolling-forward from 2017 to 2018 and contract for service provider allocations are being increased from 9-month to 12-month values. Where applicable, we are also consolidating run-down funding into contract for service baselines too. In all cases, allocations will include any growth awarded so far this year. To ensure providers can deliver adult education budget provision with confidence, we are committing to fund 3% over-delivery at the end of the 2018 to 2019 funding year for all providers.

For advanced learner loan facilities providers, baselines have been calculated using full-year delivery in 2016 to 2017 and increasing it by 3%. We have then applied rules reflecting decisions made at performance-management points this year.

To ensure advanced learner loan bursary funding is targeted effectively at the providers that need it most, for the first time, we have linked advanced learner loan bursary allocations to full year 2016 to 2017 delivery and applied an increase of 3%.

For 16 to 18 traineeships, we have used 12-months of delivery (6 months from 2016 to 2017 and 6 months from 2017 to 2018) to calculate allocations. We have then applied a 3% increase and applied rules reflecting decisions made at performance-management points this year.

For apprenticeship providers who have apprentices that will still be in learning on 31 July 2018, carry-in allocations will be calculated using R10 data submissions. This allocation will be worked out by using our standard carry-in methodology and will be issued in July 2018. We encourage colleges and providers to submit full and timely data at R10 as this will improve the accuracy of the carry-in allocation we work out for colleges and providers.

[Skills and adult education allocations for 2018 to 2019](#)