[UK grocers and shoppers could face higher prices due to dough merger]

Ready-to-bake products – including staples such as shortcrust and puff pastry, pizza and patisserie dough – are found in all major grocery retailers, with UK consumers spending over £100 million each year on these products. Jus-Rol is by far the largest supplier of branded ready-to-bake products in the UK, while Cérélia is the largest supplier of own-brand ready-to-bake products, making these items on behalf of some of the nation's largest grocery retailers.

The Competition and Markets Authority (CMA) launched an in-depth review into the deal in June 2022 after an initial Phase 1 investigation identified possible competition concerns. Over the past 5 months, an independent CMA panel has analysed a wide range of evidence from Cérélia and Jus-Rol, grocery retailers and other industry players in order to fully understand the market, as well as the potential impact of the deal.

The CMA's investigation has provisionally found that the merger brings together what are the 2 leading suppliers in the market by a considerable margin. Ready-to-bake items supplied by Cérélia and Jus-Rol account for nearly two-thirds of all such products sold in the UK.

While there are differences between the companies' products, the evidence gathered by the CMA shows that Jus-Rol products compete with grocery retailers' own-brand products supplied by Cérélia for the same space on many supermarket shelves. Evidence from grocery retailers shows that they consider the companies' products to be important alternatives to one another – in particular because there are few alternative suppliers of either branded or own-brand products. Grocery retailers also told the CMA that their ability to trade off Jus-Rol and Cérélia when purchasing these products enables them to get a better deal for customers.

The CMA's investigation provisionally found that the 2 businesses face very limited competition, with all other suppliers being far smaller, and many lacking the capabilities held by the merging businesses. The CMA also provisionally found it is unlikely that any supplier would enter the market, or expand its existing activities, to address the loss of competition brought about by the deal.

On this basis, the CMA has provisionally concluded that the deal would substantially lessen competition. This would risk UK grocers facing higher prices and lower quality products, which could ultimately be passed on to their customers.

Margot Daly, chair of the independent inquiry group carrying out the Phase 2 investigation, said:

> Food prices are already increasing, which makes it important that we don’t allow a lack of competition to make the situation worse.
>
> Jus-Rol and Cérélia are by far the largest suppliers in the ready-to-bake sector and the competition that takes place between them helps grocers to give shoppers the best possible deals.
>
> Today’s decision is provisional, and we will now consult on our findings and listen to any further views before reaching a final decision.

The CMA welcomes responses from interested parties to its provisional findings by 25 November 2022 and its notice of possible remedies, which sets out potential options for addressing its provisional concerns, by 18 November 2022. These will be considered ahead of the CMA issuing its final report, which is due by 24 January 2023.

Notes to editors

1. For more information, visit the Cérélia / Jus-Rol merger inquiry page.
2. All media enquiries should be directed to the CMA press office by email on press@cma.gov.uk, or by phone on 020 3738 6460.
3. Members of the general public can contact the CMA for information about this update on 020 3738 6000 or general.enquiries@cma.gov.uk.
4. The CMA provisionally found that the merger would lead to a Substantial Lessening of Competition (SLC) in the following market: the wholesale supply of dough-to-bake (DTB) products to retailers in the UK.
5. Cérélia refers to Cérélia Group Holding SAS (either directly or through entities under its common ownership or common control or over which it exerts material influence within the meaning of section 26 of the Enterprise Act 2002 (the Act).

Construction starts on UK’s first all-electric prison

The new prison – opening in 2025 – will hold nearly 1,500 prisoners who will spend their time behind bars learning the skills they need to find work on release, as part of the government’s drive to cut re-offending and keep the public safe.

The site will be the first prison in the UK to run solely on electricity, with solar panels and heat pump technology meaning it will use 78% less energy than HMP Wormwood Scrubs – a traditional Victorian prison – cutting energy costs to taxpayers by over £1.1 million a year.

The government will launch a competition later this year to select an operator to run the new prison. Companies bidding will be challenged to produce a 'jobs blueprint' setting out how they would work with local businesses to train-up prisoners with the skills most sought by local employers. The plan forms part of the government's drive to cut re-offending and make our streets safer by helping ex-offenders find work and put crime behind them.

Minister for Prisons and Probation, Damian Hinds, said:

> The new prison at Full Sutton will protect the public and the public purse, using the latest technology to cut energy costs.
>
> Giving prisoners the skills in demand by local businesses will help them find work and turn over a new leaf – cutting reoffending and making our streets safer.

The new jail will be supporting former prisoners into meaningful work before it even opens its doors – with at least 50 ex-offenders to be employed by construction firm Kier.

The building project is also set to boost jobs in East Yorkshire, with a quarter of those working on the build and 40% of the construction spend falling within 50 miles – filling order books for local supply chain businesses.

Ministers today launched the public consultation to choose the name of the new facility – inviting people in and around Full Sutton to offer suggestions which reflect the culture and history of the area.

Councillor Jonathan Owen, leader of East Riding of Yorkshire Council, said:

> I welcome the start of the construction of the new prison which, when completed, will provide a great boost to the local economy and employment market with the creation of over 600 jobs as well as providing a focus on skills and training to get prisoners into jobs on their release.

The new site will set a gold-standard for energy efficiency – set to use 68% less energy from the national grid than even the newly-built HMP Five Wells in Wellingborough, and draw 18 GWh less energy from the electricity and gas networks every year than HMP Belmarsh – which is equivalent to powering 1,200 homes for a year.

The start of construction at Full Sutton follows hot on the heels of HMP Five Wells in Wellingborough, Britain's first 'smart' prison which opened in March. Work is also nearing completion at HMP Fosse Way, the new 1,700-place prison set to open at Glen Parva in Leicestershire next year.

Liam Cummins, Group managing director of Kier Construction, said:

> Breaking ground at Full Sutton yesterday was a major milestone for this new prison. It builds on our successful partnership with the MoJ, where we have been operating successfully in close collaboration for the past decade.
>
> We will deliver this new prison as a cutting-edge facility, built on engineering excellence that we have utilised on other projects, and using innovative sustainable methods which will achieve net zero in operation.
>
> Alongside this, we'll create hundreds of jobs throughout the lifecycle of the project, supporting local people and the supply chain, as well as providing opportunities for prisoners on release.

Jason Millett, CEO for Consult at Mace, said:

> Mace has worked closely with the MoJ to deliver the New Prisons Programme, completing at HMP Five Wells earlier this year and bringing practical delivery experience to the entirety of the programme.
>
> The new prison at Full Sutton will be a world-leading example of how a focus on net zero development can create positive, sustainable change. This milestone is a fantastic achievement for our teams and demonstrates our strength in delivering against the decarbonisation agenda.

Court bans builder after failing to carry out building works

Daniel Eric Carter was the sole director of DC Building & Extensions Ltd, previously known as Carters Building Ltd. Incorporated in August 2017, the company provided building services for residential properties.

DC Building & Extensions Ltd, however, experienced trading difficulties throughout the life of the company and by May 2019, the building firm had entered into compulsory liquidation following a petition by one of its creditors.

The Official Receiver was appointed as Liquidator and the building firm's insolvency triggered an investigation by the Insolvency Service before investigators uncovered that DC Building & Extensions Ltd substantially abused its position.

Daniel Carter caused the building firm to take deposits and advance payments totalling close to £182,000 from 5 new customers. However, these customers were put at unreasonable risk as the building firm accepted their cash despite knowing it was insolvent

Further enquiries found that Daniel Carter caused the building firm to continue trading despite it being placed into liquidation by the court, he failed to disclose £35,000 of assets to the Official Receiver, and withdrew more than £25,000 from DC Building & Extensions Ltd's account for personal use and to pay other third parties.

On 28 June 2022, a 10-year disqualification order was made against Daniel Carter in the High Court by Deputy Judge Greenwood, after he failed to file an acknowledgement of service or any evidence in response to the claim.

Daniel Carter was also ordered to pay costs of £6,649.

Mike Smith, Chief Investigator for the Insolvency Service, said:

> When people paid deposits for building works they were doing so in good faith that their jobs would get completed. Daniel Carter, however, completely abused this trust when he caused the company to take clients' money knowing there was substantial risk his firm couldn't carry out the works he had promised.
>
> Daniel Carter's 10-year ban issued by the court is a substantial disqualification and should serve as a clear warning to other service providers that there are serious consequences if you take money from clients while insolvent with no likelihood of being able to complete projects.

Mr Daniel Eric Carter is from Romsey and his date of birth is November 1984.

DC Building & Extensions Ltd (Company number = 10934293)

Disqualification undertakings are the administrative equivalent of a disqualification order but do not involve court proceedings. Persons subject to a disqualification order are bound by a range of restrictions.

Further information about the work of the Insolvency Service, and how to complain about financial misconduct.

You can also follow the Insolvency Service on:

New sports fund to tackle youth crime

- £5 million to keep youths away from crime through sport
- Charities bid to fund grass-roots activities teaching resilience and discipline
- Part of largest youth justice funding package in a generation – making streets safer

Charities across England and Wales will be able to bid for new money to run programmes designed to steer young people away from law-breaking and into positive activities aimed at teaching teamwork, resilience and discipline.

While the number of young people in custody remains at a record low, statistics show around 80% of prolific adult offenders begin committing crimes as children – with the economic and social costs of reoffending costing the taxpayer an estimated £18 billion per year.

The new funding announced today builds on the government's work to catch and prevent youth offending earlier than ever – helping to prevent these young people becoming involved in crime or anti-social behaviour.

Earlier this year, the Deputy Prime Minister announced the biggest funding package in a generation to tackle youth offending and cut crime, including £60 million for early intervention.

Today's news also delivers on the commitment made in the Prisons Strategy White Paper – published in December last year – to introduce further measures for early intervention to cut youth crime, keep streets safe and create fewer victims.

Deputy Prime Minister, Lord Chancellor and Justice Secretary, Dominic Raab, said:

> I have seen first-hand how local sports projects can transform the lives of young people from tough backgrounds, getting them off the streets and teaching them life skills including teamwork, discipline, and resilience.
>
> That's why we're investing £5 million in innovative sporting schemes up and down the country. It is part of our £300 million investment to support every council across England and Wales in catching and preventing youth offending earlier than ever, making our streets safer.

Charities and organisations wanting to deliver the sports programmes will be able to bid for the money – with hundreds of organisations expected to benefit from the funding.

The Ministry of Justice will work closely with its delivery partner –

StreetGames and consortium partners the Alliance of Sport in Criminal Justice and the Sport for Development Coalition – to oversee the application process and delivery of the funding.

Stuart Felce, StreetGames Director of Sport and Community Safety, said:

> We're really excited to be partnering with the Sport for Development Coalition and the Alliance of Sport in Criminal Justice to deliver this ambitious new programme from the Ministry of Justice.
>
> These funds are a vote of confidence in the power of sport to provide young people with a positive pathway and to help prevent them from falling into the criminal justice system.

Notes to editors

- StreetGames and the Ministry of Justice will open the bidding competition on Monday 7 November. It will run until Monday 5 December.
- More information on the Ministry of Justice's previous Youth Justice funding announcement.
- Two additional organisations with deliver the fund in conjunction with StreetGames and the Ministry of Justice. These are the Sport for Development Coalition, a membership organisation of partners who use sport to tackle key health and societal inequalities, and the Alliance of Sport in Criminal Justice, a charitable incorporated organisation that seeks to act as a change agent for the impact of sport in the Criminal Justice System.

Virgin Money teams up with UK Government to support more small businesses

Press release

Virgin Money has been accredited under UK Export Finance's General Export Facility programme, allowing more businesses to access export finance support.

- Virgin Money joins six existing lenders: HSBC, Santander, Barclays, Lloyds, NatWest and Newable, making the General Export Facility even more accessible.
- Oxfordshire based Westminster Group, which provides security equipment and services worldwide, is the first to benefit from a Virgin Money GEF.
- Accreditation and deal announced during a UKEF-Virgin Money roundtable event during International Trade Week, discussing how both organisations can collaborate to support more SMEs in challenging economic times.

Samir Parkash, interim CEO of UKEF, has today announced that Virgin Money is the latest financial institution to be onboarded onto the General Export Facility (GEF), opening up access to financial support to their business customers.

GEF was launched in March 2021 and is designed to provide access to flexible finance for SME exporters.

It has been a game-changing product unlocking almost £250 million of working capital loans.

Samir Parkash, interim Chief Executive Officer at UK Export Finance, said:

> The General Export Facility provides vital hands-on government support to British small businesses. Since it was introduced last year it has unlocked almost £250 million of working capital loans and underpinned (the liquidity requirements of) hundreds of small businesses.

> We want more businesses to have access to this support from UKEF which is why I am delighted to announce that the clients of Virgin Money can now use the scheme.

Virgin Money and UKEF’s first collaboration under GEF is to provide support to the Oxfordshire based company Westminster Group. The backing has enabled the business to win new export contracts to supply X-Ray security machines to two international airports in Southern Africa.

Sharon Ellis, Head of Business Networks at Virgin Money, said:

> Virgin Money is committed to supporting businesses with their growth ambitions at this key time for the economy.

> We are pleased to be fully operational with the General Export Facility in conjunction with UKEF, as it enables us to increase access to financial support for businesses like Westminster Group, which is a great example of our relationship teams and trade finance specialists working together to find exactly the right solution to meet the customer’s needs.

To be eligible for support, businesses must meet several criteria, including showing that in any one of the last three financial years at least 20% of annual turnover has been made up of UK export sales, or that in each of the last three financial years at least 5% of annual turnover has been made up of UK export sales.

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