

CMA finds concerns in proposed chemicals merger

Press release

The CMA has found that the anticipated purchase of MBCC Group by Sika AG could lead to a loss of competition in the supply of chemical admixtures in the UK.



Chemical admixtures are an essential input for products like concrete and cement used in the construction industry. These specialty chemicals are commonly used to improve the strength of concrete or to control its setting time, to allow wet concrete to be transported over longer distances or held on-site for longer periods.

Chemical admixtures, which have become increasingly important as construction methods have developed, also play a key role in reducing the cost and environmental impact of concrete production.

Sika AG is a Swiss-based multinational specialty chemical company active across the construction sector and motor vehicle industry. MBCC is also a leading global supplier of construction chemicals and solutions. Sika announced its intention to acquire MBCC, in a deal valued at around £4.5 billion, in November 2021.

Sika and MBCC are the two largest suppliers of chemical admixtures in the UK and compete closely, particularly for customers with large volume requirements. Both companies are also two of the few competitors able to support customer requirements for product development and innovation. The CMA found that the combined business would account for over half of admixtures supplied in the UK after the merger and face limited competition, giving customers less choice and potentially leaving them facing higher costs and reduced innovation.

Colin Raftery, Senior Director of Mergers at the CMA, said:

Chemical admixtures are vital to the UK construction industry, used in projects that range from laying pavements to the very largest infrastructure projects.

The loss of competition that this deal could bring about could lead to higher prices and poorer quality products for customers, increasing the costs of these projects.

Sika AG and MBCC Group now have 5 working days to submit proposals to address the CMA's concerns. If suitable proposals are not submitted, the deal will be referred for an in-depth Phase 2 investigation.

For more information, visit the [Sika AG / MBCC Group merger inquiry page](#).

1. For media enquiries, contact the CMA press office on 020 3738 6460 or press@cma.gov.uk.
2. As part of its investigation, the CMA also considered whether there would be an SLC in relation to certain products used in drinking water infrastructure in the UK, and structural cementitious grouts used for offshore wind turbine installation. In both instances however it found that there would be sufficient competitive constraints to prevent an SLC.
3. Under the Enterprise Act 2002 (the Act) the CMA has a duty to make a reference to Phase 2 if the CMA believes that it is or may be the case that a relevant merger situation has been created, or arrangements are in progress or contemplation which, if carried into effect, will result in the creation of a relevant merger situation; and the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services.

Published 27 July 2022

[Transport Secretary, Grant Shapps speaking ahead of Wednesday's rail strikes](#)

News story

The Secretary of State for Transport speaks ahead of rail strikes planned for today.



Transport Secretary, Grant Shapps said:

Today (27 July 2022), union bosses are once again trying to cause as much disruption as possible to the day-to-day lives of millions of hardworking people around the country. What's more, it has been cynically timed to disrupt the start of the Commonwealth Games and crucial Euro 2022 semi-finals, in a deliberate bid to impact the travel of thousands trying to attend events the whole country is looking forward to.

Sadly, this is nothing new. In fact, in my 3 years as Transport Secretary, there has not been a single day when unions have not been in dispute with the rail industry by either threatening or taking industrial action with around 60 separate disputes lodged in 2022 alone.

This country's taxpayers stumped up £600 per household to ensure not a single rail worker lost their job during the pandemic, but many of those very same people will be forced into losing a day's wages through no fault of their own but because of stubborn union leaders' refusals to modernise.

Union bosses will claim they're willing to do a deal but how can anyone take them seriously when, earlier this month, the RMT dismissed a Network Rail offer worth 8% over the next 2 years without even consulting their members.

Unfortunately, it's too late to call off today's damaging strikes but I urge the RMT and indeed all unions to stop holding the country to ransom with the threat of further industrial action and get off picket lines and back around the negotiating table. If not, we risk passengers turning their backs on the railway for good.

Published 27 July 2022

Ofsted: Concerns over damaging impact of staff shortages on children's social care

Ofsted has today published a report on the ongoing impact of the Covid-19 pandemic on children's social care, drawing on evidence from inspections, focus groups and interviews with inspectors.

The report finds that the pandemic has exacerbated long-standing staffing challenges in children's social care, which has serious consequences on the number of suitable children's home places available and the different needs staff are able to support. As a result, some children are living in places where their needs are not being met, and in some cases are being placed in unregistered homes, without regulatory oversight. High numbers of agency social workers and high caseloads are also preventing purposeful work with children and families.

Pre-existing gaps in in-patient and community-based provision for children with mental health needs have grown, and children's needs have become more complex. This leaves some children without the right care, or placed too far from their families and communities. In some places, services for children and their families have not been fully reinstated or are running at a lower capacity than pre-pandemic levels. Ofsted is concerned this could lead to delays in identifying vulnerable children and their needs, and families may have fewer opportunities to ask for help. Access to therapeutic and respite services for disabled children also continue to be limited, leaving many children and families without the support they need.

The report also highlights the limits of home-based working for peer support and for learning and development opportunities for social workers and other staff. Face-to-face interaction with colleagues is particularly important for newly qualified social workers, who have mainly operated in pandemic conditions and have had limited opportunities to interact with, and learn from, experienced colleagues. Staff training continues to be mostly online, despite concerns that it is less engaging for staff and reduces retained learning.

The report also raises concern over the escalating cost of living for families, which is already having an impact on children's services. Local authorities suggest that that greater financial strain on families may lead to higher numbers of children in need and child protection cases, which would further exacerbate existing sufficiency and workforce issues.

Ofsted Chief Inspector, Amanda Spielman, said:

Children's social care has been plagued by workforce challenges for some time. But we have seen these issues accelerate in recent

years, with more social workers moving to agency contracts, and residential workers leaving the sector entirely.

As a result, too many children, with increasingly complex needs, are not getting the help they need. A workforce strategy and improved support for disabled children and those with mental health needs, and their families are more urgent than ever.

Government ministers meet to address summer travel disruption

As the UK prepares for another busy weekend of travel, Chancellor of the Duchy of Lancaster Kit Malthouse today chaired a meeting of Ministers from across Government to update on how they are supporting industry and port and airport operators to ease potential disruption and ensure families can get away on their holidays, from working with the Port of Dover and French Government to working with Highways England on managing traffic.

The meeting included Ministers from the Department for Transport, Home Office, Department for Levelling Up, Housing and Communities, and the Foreign, Commonwealth and Development Office.

Ministers were also joined by senior officials from UK Border Force, the National Police Coordination Centre and the Kent Resilience Forum, which managed the local impact of the weekend's issues at Dover and Folkestone.

Ministers also discussed how recent measures, such as changing regulations on airport slots rules to help airlines make sensible decisions about schedules, avoid last-minute cancellations and provide passengers with more certainty.

With Birmingham's Commonwealth Games beginning on Thursday, and RMT rail workers on strike on Wednesday, Ministers further discussed preparations being put in place to provide alternative transport and keep the country moving.

Measures include putting extra capacity on lines that are running and laying on coaches for sports fans and spectators.

The Home Office also updated on recent improvements in passport application processing ahead of the big summer getaway. Minister Foster has been meeting with Passport Office seniors on a fortnightly basis to drive forward work to step up processing times. Hundreds of extra staff are being brought in to help increase capacity, and the Passport Office are now processing around a million applications each month, with 97.7% of these being processed within 10 weeks.

Chancellor of the Duchy of Lancaster Kit Malthouse said:

We want to make sure families get away on their holidays smoothly and hauliers aren't delayed unnecessarily.

Ahead of another busy weekend of travel, today I chaired a GRIP meeting with Ministers from across Government, joined by senior officials from UK Border Force, the National Police Coordination Centre and the Kent Resilience Forum.

This was to confirm that work is underway to prevent the scenes of disruption that we saw last weekend, and that we are in daily contact with the Port of Dover and French Government to work together to remove any grit from the system.

I want to use these GRIP meetings – to coordinate and galvanise Government Resilience, Implementation and Preparedness for potential issues facing the country.

Palestinians and Israelis deserve equal measures of peace, security and prosperity

Thank you, President. And, I thank also Deputy Special Coordinator Hastings for her briefing. I'd also like to thank the United States for the update. We were pleased to see President Biden's visit to Israel and the Occupied Palestinian Territories this month, and the announcement of US funding for East Jerusalem hospitals and UNRWA.

We welcome Israel's commitment during this visit to restart the Joint Economic Committee and accelerate transition to 4G in the Occupied Palestinian Territories. These are important steps that have the potential to bolster the Palestinian economy. We echo President Biden's calls for urgent progress in both cases, and the UK stands ready to provide support.

Recent direct discussions between Prime Minister Lapid, President Herzog and Defence Minister Gantz, and President Abbas and other PA leaders, are similarly welcome. Such cooperation and dialogue are essential to tackling shared challenges.

However, the situation on the ground remains fragile. We note, with concern, UN OHCHR's report on the increase in fatalities. In the first six months of 2022, 60 Palestinians were killed by Israeli security forces during law

enforcement operations in the West Bank. In the same period, 19 Israelis were killed in terror attacks. Terrorist attacks against civilians are abhorrent and unacceptable. We call on all parties to de-escalate tensions and stop the continued loss of life.

We welcome US engagement with Israel and the Palestinian Authority to seek the truth surrounding Shireen Abu Aqleh's death, and we now urge accountability for those responsible.

We continue to be deeply concerned about the imminent risk of forcible transfer of over 1000 Palestinians at Masafer Yatta and recent detention of staff of humanitarian organisations seeking to aid the community.

This month we saw the disbandment of the community at Ras al Tin, following the demolition of their homes and settler attacks. We urge Israel to abide by its obligations under international law to ensure the residents of Masafer Yatta, and other communities in Area C, are protected, that humanitarian access is permitted and to refrain from further evictions and demolitions.

We also call on Israel to halt plans to progress 1900 settlement units in East Jerusalem on 25 July. Settlements are illegal under international law and threaten the physical viability of a two-state solution.

The UK believes that Palestinians and Israelis deserve equal measures of peace, security and prosperity. A negotiated settlement leading to a safe and secure Israel, living alongside a viable and sovereign Palestinian state, remains the best means of achieving that outcome.

Thank you, President.