Statement to parliament: Tyres and vehicle safety

Colleagues across the House have expressed concern about the potential dangers posed by ageing tyres. This is also a matter of great concern to the government, and following my <u>statement to the House of 23 November 2018</u>, I want to update the House further on the measures we are taking to address it.

Colleagues will recall that in 2013 the government issued <u>guidance advising</u> <u>bus operators against fitting tyres over 10 years old to the front axles of their vehicles</u>. This has proven extremely effective. Since June 2017 136,263 vehicles have been checked by cat annual test and 82 have been found to be non-compliant, a rate of 0.06%.

However, we have been determined to go further. In November 2018 the government updated the <u>Driver and Vehicle Standards Agency guidance on maintaining roadworthiness</u>, to the effect that tyres of 10 years of age or older should not be used on the front or steering axles of heavy goods vehicles as well as buses and coaches.

All DVSA encounters with GB heavy vehicles, including buses and coaches, identified as using older tyres will be followed up. Between 23 November and 25 January, DVSA carried out 7,500 enforcement checks and found 14 vehicles using older tyres. This reinforces the picture already built up of very low levels of infringement. The changes to maintenance best practice now provide a clear basis for referring cases to Traffic Commissioners when guidance has been disregarded.

The DfT and its agencies continue to work together to ensure vehicle operators understand how to maintain the safety and roadworthiness of their vehicles, including their tyres, and to enforce any non-compliance.

This strengthening of the roadworthiness guidance followed amendments to the MOT and annual test requirement in 2018 to tighten the control of the use of any tyres exhibiting deep cuts to the tread area. These changes, which apply to all road vehicles subject to MOT tests, were developed in response to new evidence obtained from a DfT funded collision investigation. This indicated that structural damage to tyres was possible due to corrosion caused by water ingress.

As a result, from 20th May 2018 any vehicle found with tyres that have deep cuts will fail their MOT test. This is another example of how the DfT continue to make improvements to vehicle maintenance requirements based on available evidence, so as to improve roadworthiness and safety of vehicles on UK roads.

In addition to these measures, the government has also commissioned pioneering new research to strengthen our understanding of the effect of age on the integrity of road vehicle tyres. No other country in the world has

done work of this nature — we are pushing the boundaries of technical research in order to inform policy and ensure the safety of all road users.

The present work has been commissioned by the Department for Transport and is led by the UK's Transport Research Laboratory. The project has enlisted expertise from a leading laboratory in the United States, Smithers Rapra, to undertake testing and analysis to find out more about the structural qualities of those tyres. Thirty one used tyres of different ages, taken from the UK market, have been sent to this laboratory. The sample tyres are all from a single manufacturer and have been assembled so that accurate comparisons can be made. This analysis will be used to address the question of how ageing affects tyres' integrity. I understand that it will be the first of its kind to be published using this methodology.

The government is committed to evidence-based policymaking, in order to ensure the safety of all road users. Stakeholders and the public expect the government to act on complete and appropriate evidence, and decisions would otherwise risk legal challenge by affected parties. As I informed the House on November 23, we expect the outcome of this research to be reported in the spring. It will be used alongside existing evidence to inform government policy.

News story: New non-executive director and panel members appointed to the Competition and Markets Authority board

Business Secretary Greg Clark has appointed Cynthia Dubin as a non-executive director and Paul Hughes, Robin Foster, Colleen Keck, Karthik Subramanya, Shrinivas Honap and Maria da Cunha as panel members to the <u>Competition and Markets Authority</u> (CMA).

The CMA is a non-ministerial department and the UK's primary competition and consumer authority. It has responsibility for carrying out investigations into mergers, markets and the regulated industries, and enforcing competition and consumer law.

Non-executive directors of the CMA Board play a key role in providing leadership and direction to the organisation, working with the chair and chief executive, responsible for setting the organisation's strategic direction, developing priorities and monitoring performance against its objectives. Members are appointed to the CMA Board for up to 5 years.

Panel members join independent groups to make decisions on 'phase 2' merger

and market investigations and on regulatory appeals. Members are appointed to the CMA Panel for up to 8 years.

The new members appointed by the Secretary of State are:

Cynthia Dubin

Cynthia Dubin is Chair of the Audit and Finance Committee of Babcock & Wilcox Enterprises, Inc. and chief financial officer of Pivot Power LLP in the UK. Cynthia has previously held senior positions at Edison Mission Energy and JKX Oil & Gas plc. Her role as a board member commenced in January 2019.

Paul Hughes

Paul is a former partner of international law firm Herbert Smith Freehills, and has specialised in competition law and regulation for some 30 years. His appointment as a panel member commences in February 2019.

Robin Foster

Robin Foster is a non-executive member of the Content Board at media regulator Ofcom, and of the Advertising Advisory Committee at the Advertising Standards Authority (ASA). He was previously Strategy Partner at Ofcom and led the strategy and competition teams at the BBC. His appointment as a panel member commences in February 2019.

Colleen Keck

Colleen Keck is currently General Counsel and Company Secretary at Parkinson's UK and Deputy Chair of the Copyright Tribunal. Prior to that she was a partner at international law firm Allen & Overy LLP for over 20 years. Her appointment as a panel member commences in February 2019.

Karthik Subramanya

Karthik Subramanya is currently Senior Advisor with Boston Consulting Group. He is also a board member of Scottish Enterprise and Creative Scotland. His appointment as a panel member commences in February 2019.

Shrinivas Honap

Shrinivas Honap's roles include a non-executive directorship at the British Transport Police Authority, where he is Chair of the Pensions Committee. He has held senior roles in Capita Plc, Vodafone and Egg Financial Service. His appointment as a panel member commences in April 2019.

Maria da Cunha

Maria da Cunha is currently a non-executive director of De La Rue plc and a trustee of Community Integrated Care. She was previously General Counsel and

Director of HR at British Airways plc. Her appointment as a panel member commences in February 2019.

Press release: UKEF supports Cleveland Bridge contract to develop essential infrastructure in Sri Lanka

International Trade Secretary Liam Fox has today announced UK Export Finance (UKEF) will provide £49 million worth of support for Darlington-based firm Cleveland Bridge to construct 250 bridges for rural Sri Lankan communities.

This project has been designed to accelerate Sri Lanka's development through improvements in its rural transport infrastructure. Families and businesses will benefit directly from the project, reducing the distance people need to travel to reach essential services such as healthcare and education, as well as bringing rural communities closer together by cutting transport costs.

The financing of these 250 bridges follows the provision of support in 2011 for 210 bridges and in 2014 for 618 bridges. The Sri Lankan government estimates that collectively the bridges will benefit more than 100,000 families as well as businesses in the country.

The company has designed and built a number of iconic landmarks including the Sydney Harbour Bridge and Tyne Bridge. Cleveland Bridge designs its modular bridges in the UK and they are easily assembled to meet the specific needs of each project.

International Trade Secretary, Rt Hon. Dr Liam Fox MP, said:

Cleveland Bridge demonstrates the value British design and engineering can bring to the world stage. Over the course of the last 100 years UK Export Finance has led the way in delivering innovative finance to help British companies achieve international success across a wide range of industries and countries.

I am delighted that as UKEF marks its centenary year, it continues not only to support the UK's exporters but also those transformational projects that will have a direct impact on the lives of citizens across the globe.

Don Underwood, Commercial Consultant, Cleveland Bridge said:

We are delighted UKEF has chosen to support this project, and Cleveland Bridge's continued growth. UKEF's flexible support is hugely important for our international success, helping us build confidence with our overseas customers and access financing to deliver dynamic projects.

This announcement follows recent support from UKEF for projects to improve Iraq's power provision and Bahrain's water supply.

<u>UK Export Finance</u> is the UK's export credit agency and a government department, working alongside the Department for International Trade as an integral part of its strategy and operations.

Our mission is to ensure that no viable UK export should fail for want of finance or insurance from the private market. We provide finance and insurance to help exporters win, fulfil and ensure they get paid for export contracts.

Sectors in which UKEF has supported exports include: aerospace, healthcare, infrastructure, telecommunications and transport.

UKEF has a <u>national regional network of 24 export finance managers</u> supporting export businesses.

Our range of products includes:

- Bond insurance policy
- Bond support scheme
- Buyer & supplier credit financing facility
- Direct lending facility
- Export insurance policy
- Export refinancing facility
- Export working capital scheme
- Letter of credit guarantee scheme

Our <u>country cover positions</u> outline our current cover policy and risk appetite for each country.

News story: UK ranks 2nd place in the 7th annual US Global IP Index



The UK provides one of the very best intellectual property (IP) environments in the world. This is according to the latest US Chamber of Commerce Global Intellectual Property Index, published 7 February 2019.

The UK again ranks 2nd in the report, which compares 50 jurisdictions globally. The index considers factors that ensure businesses can obtain, exploit and enforce IP rights.

The UK is praised for its sophisticated IP environment and effective enforcement. This was highlighted by the work of its specialist crime unit and cross-industry and government cooperation.

The report recognises some challenges presented by the UK's withdrawal from the European Union (EU). However, it does note the supportive advice provided by the Intellectual Property Office (IPO) to business through its publications like <u>IP and BREXIT: The Facts</u>.

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News story: Passenger train derailment at Penryn



The train following the derailment (image courtesy of Network Rail)

At around 12:36 hrs on 28 January 2019, a passenger train consisting of two coaches became derailed by the leading bogie at a set of points at Penryn station, while travelling at around 15 mph (24 km/h). The accident resulted in minor damage to the track, and there were no injuries to passengers.

We have undertaken a <u>preliminary examination</u> into the circumstances surrounding this incident. Having assessed the evidence which has been gathered to date, we have decided to publish a <u>safety digest</u>.

The safety digest will be made available on our website in the next few weeks.

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