

# MOD awards £155m contract to provide crucial services to UK Armed Forces in Gibraltar

The £155 million contract, which will provide maintenance work, repairs, servicing, and hard facilities management to the MOD's estate in Gibraltar, has been awarded to Mitie by the Defence Infrastructure Organisation (DIO). It is expected to directly sustain around 200 jobs in Gibraltar.

This is the first contract to be awarded under DIO's new Overseas Prime Contracts (OPC) programme, which will also see further contracts come into force at Defence sites including Cyprus, Germany, the Falkland Islands and Ascension Island. The contract is for an initial period of seven years and will come into service in the autumn. The new contracts have been developed taking into account recommendations for improvements to the current arrangements and will mean a better service for military personnel based overseas.

Greater alignment to current industry standards will mean increased collaboration between DIO and its suppliers and allow for services to be better tailored to the requirements of specific sites. A new, integrated software system will enable information to be shared more effectively.

The contracts have been designed to promote more efficient processes and the quicker delivery of high volume, lower value works, ensuring increased value for money. Performance targets will encourage a high standard of repairs and reduce the need for repeat visits.

## **DIO's Chief Operating Officer David Brewer said:**

DIO is committed to supporting people across the Armed Forces who depend on us to provide facilities and essential services which allow them to work safely and securely.

This marks an important milestone in the OPC programme, as the first of the new contracts is awarded in Gibraltar. This new contract builds on the successes of existing hard facilities management arrangements while taking on board recommendations for additional services and improvements, which will improve the quality of life for people in Gibraltar. We look forward to working with Mitie to deliver for our Armed Forces overseas.

## **Commodore Steven Dainton, Commander British Forces Gibraltar, said:**

I look forward to the new contract coming into effect later in the year and the benefits it will bring to our Armed Forces and staff here in Gibraltar. I'm pleased to hear of the improvements planned over the previous contract, which I believe will increase efficiency and the final standard of works provided, benefitting service personnel across our sites.

**Brian Talbot, Managing Director, Central Government & Defence, Mitie, said:**

As proud supporters of the British Armed Forces, we are delighted to have been awarded the new Overseas Prime Contract for Gibraltar by the Defence Infrastructure Organisation. By providing these vital services, delivered by our exceptional colleagues and underpinned by our industry-leading technology, we look forward to working with the Armed Forces based in Gibraltar and supporting the smooth delivery of operations on site.

The next OPC contract to be awarded will be for hard facilities management in Cyprus in early 2023.

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For further information contact [Emma.Wyatt100@mod.gov.uk](mailto:Emma.Wyatt100@mod.gov.uk).

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## [Government sets out plans for how tech regulator will tackle dominance of major firms](#)

- New 'fair-play' rules for biggest tech firms would make it easier for people to switch between phone operating systems and mean smaller firms are alerted to algorithm changes
- Consultation response today confirms plans for fines up to 10 per cent of global turnover for breaches and senior tech bosses will face tough penalties if firms fail to comply with the rules
- New watchdog would be able to ensure fair prices for content in disputes between powerful platforms and content providers such as news publishers and advertisers

Small businesses will be protected from predatory practices and consumers will get more choice and control over their online experiences as the government today sets out its final vision for how the new digital markets regulator will boost competition to drive economic growth and innovation.

The majority of UK companies now rely on powerful tech firms to ensure customers find their business online. These firms control key online gateways for millions of internet users and give preference to their own apps and browsers. They are also able to set their own prices for the online services they provide businesses without challenge, which can be passed on to consumers.

The impact of weakened competition is stark – the Competition and Markets Authority estimates that Google and Facebook made excess UK profits of £2.4 billion in 2018 alone – harming consumers through higher prices.

In response to its [consultation](#) issued last year, the government [today](#) sets out its plans to give statutory powers for the Digital Markets Unit (DMU) to allow it to enforce pro-competition rules and rebalance the relationship tech giants have with consumers and businesses so they are better protected from unfair practices. The DMU is a new watchdog to make sure tech companies don't abuse their market power.

The proposals aim to make it easier for people to switch between Apple iOS and Android phones or between social media accounts without losing their data and messages. Smartphone users could get more choice of which search engines they have access to, more choice of social media platforms as new entrants enter the market, and more control over how their data is used by companies.

Tens of thousands of UK small and medium-size businesses will get a better deal from the big tech firms which they rely on to trade online. Tech firms could need to warn smaller firms about changes to their algorithms which drive traffic and revenues.

The measures will also make sure news publishers are able to monetise their online news content and be paid fairly for it, with the DMU given the power to step in to solve pricing disputes between news outlets and platforms. App developers would be able to sell their apps on fairer and more transparent terms.

More competition across digital markets will create incentives for internet companies to deliver better quality services. Lower fees for advertisers and businesses will stop costs being passed on to consumers leading to lower prices for the goods they buy online.

The government will introduce legislation to put the Digital Markets Unit on a statutory footing in due course.

Digital Minister Chris Philp said:

Technology has revolutionised the way thousands of UK firms do business – helping them reach new customers and putting a range of

instant online services at people's fingertips. But the dominance of a few tech giants is crowding out competition and stifling innovation.

We want to level the playing field and we are arming this new tech regulator with a range of powers to generate lower prices, better choice and more control for consumers while backing content creators, innovators and publishers, including in our vital news industry.

The DMU, [launched](#) in non-statutory form within the Competition and Markets Authority (CMA) last year, will have the power to designate some of the world's most powerful firms with 'strategic market status'.

The regulator will enforce new tailored codes of conduct for how the handful of firms dominating digital markets should treat their users and other companies fairly, with tough sanctions for those which ignore the rules.

Under these binding conduct requirements, firms must ensure consumers have open choices about the digital services they use.

For example, the DMU will be able to stop companies limiting consumers to pre-installed software on their devices, making it easier for smartphone users to choose which search engine or messaging apps they use. People will get more decision-making power over how their data is used and handled by tech firms – for example, by opting out of targeted personalised adverts.

Big tech firms in scope of the new regime will have to meet the regulator's clear expectations around trust and transparency – such as informing businesses using their services of significant changes which could impact them.

For example, search engines exert huge control over which sites consumers can find. Any changes in their algorithms could mean that traffic is steered away from certain sites and businesses which could have a negative effect on their revenue.

The DMU will also intervene to tackle the root causes of market dominance. Potential interventions include forcing firms with strategic market status to share more data with smaller competitors to help them overcome the advantages of bigger firms.

The requirements will also set out how dominant firms should trade with content providers such as news publishers. The DMU will have powers to resolve pricing disputes so that news providers are paid fairly for their online content.

It could increase the bargaining power of national and regional newspapers, and force social media platforms to be more transparent on how they position publishers on their platforms, and what algorithms are being used.

An arsenal of robust sanctions will be available to the DMU to tackle non-

compliance, including fines of up to ten per cent of annual global turnover and additional penalties of five per cent of daily global turnover for each day an offence continues.

It will be able to suspend, block and reverse behaviour by firms that breaches their conduct requirements, ordering them to take specific steps necessary to resolve a breach. Senior managers will face civil penalties if their firms fail to engage properly with requests for information.

Consumer Minister, Paul Scully, said:

We're ensuring our modern, digitised economy gives consumers better products, greater choice and lower prices by having companies compete for customers on a level playing field.

The customer is always right but sometimes they don't get a choice. We'll stop companies from using their power to harm customers, whether they're limiting shoppers' choices to certain software on their devices or making it hard for people to decide how their data is used.

Under new 'light-touch' rules, firms designated with strategic market status will have to report takeovers before they complete so the CMA can conduct an initial assessment of the merger to determine whether further investigation is needed.

Only a small number of firms with substantial and entrenched market power in the UK will be designated with strategic market status. This will make sure the regime holds the most-powerful businesses to account for their behaviour. The government will define the digital activities and conduct requirements for firms in scope of the regime when it brings forward the legislation.

Andrea Coscelli, Chief Executive of the CMA, said:

The CMA welcomes these proposals and we're pleased that the government has taken forward a number of our recommendations that will allow the DMU to oversee an effective and robust digital markets regime in the UK.

The CMA stands ready to assist the government to ensure that legislation can be brought forward as quickly as possible, so consumers and businesses can benefit.

**ENDS**

In July 2021 the government [launched a consultation](#) on its proposals for a new pro-competition regime for digital markets, including the powers that the Digital Markets Unit will need to ensure the regime is effective. Today the government is publishing its response to that consultation and confirming the

statutory powers the DMU will have.

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## Sellafield Deafness, Hearing Loss and Tinnitus Network

News story

This week is deaf awareness week and Sellafield Ltd has set up it's own network to help employees with issues relating to deafness.



Deaf Awareness Week 2022 provides the opportunity to highlight the great support Sellafield Ltd employees are providing to colleagues and their families with issues relating to deafness, hearing loss and tinnitus.

One in 6 people in the UK currently experience some degree of deafness/hearing loss and one in 10 people live with tinnitus.

With a workforce the size of Sellafield Ltd's, it's expected that quite a few employees are touched in some way by these conditions, either directly or via family and friends.

Tim Naylor and Tracey Standring recently set up the Sellafield Ltd Deafness, Hearing Loss and Tinnitus network to offer support and raise awareness across the organisation.

Tracey said:

The network, which currently has 15 members, came together in response to enquiries about hearing-related support in the workplace. We have had a small number of network on-line meetings via a collaborate platform, which is a great tool for us to use since it has closed captions.

The network provides an opportunity to talk to others about our

individual experiences, it's great to share similar stories and more importantly how we have addressed challenges and barriers.

One of the areas we have discussed at length at the meetings is the assistive technology available to support us at work.

The network has already helped each of us get a clearer idea of this, with some now having asked their audiologists for more up-to-date hearing aids with Bluetooth technology to make use of phones easier.

Tim said:

The network, that is still being formally established, exists to provide support, particularly in the era of changing working patterns and advancing technology; also, learn about how to use additional equipment in conference rooms and the use of Bluetooth devices, and other means to integrate fully with work colleagues.

Alyson Armett, Sellafield Ltd's Strategy & Planning Director is the senior sponsor of the network. She said:

I'm delighted to offer my support, and I want to ensure that everyone across our organisation has access to hearing related support in the workplace.

Published 6 May 2022

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## [HMRC late payment interest rates to be revised after Bank of England increases base rate](#)

News story

HMRC interest rates for late payments will be revised following the Bank of England interest rate rise to 1%.



The Bank of England Monetary Policy Committee voted on 5 May 2022 to increase the Bank of England base rate to 1% from 0.75%.

HMRC interest rates are linked to the Bank of England base rate.

As a consequence of the change in the base rate, HMRC interest rates for the late payment will increase. These changes will come into effect on:

- 16 May 2022 for quarterly instalment payments
- 24 May 2022 for non-quarterly instalments payments

The repayment interest rate will remain at 0.5%. The repayment rate is set at Bank Rate minus 1%, with a 0.5% lower limit.

[Information on the interest rates for payments](#) will be updated shortly.

HMRC interest rates are set in legislation and are linked to the Bank of England base rate.

Late payment interest is set at base rate plus 2.5%. Repayment interest is set at base rate minus 1%, with a lower limit – or ‘minimum floor’ – of 0.5%.

The minimum floor ensured that taxpayers continued to receive 0.5% repayment interest even when base rate fell to 0.1%. Repayment interest will continue to be paid at 0.5% until the Bank of England raises base rate above 1.5%, after which repayment interest will increase with base rate.

The differential between late payment interest and repayment interest is in line with the policy of other tax authorities worldwide and compares favourably with commercial practice for interest charged on loans or overdrafts and interest paid on deposits.

The rate of late payment interest encourages prompt payment and ensures fairness for those who pay their tax on time, while the rate of repayment interest fairly compensates taxpayers for loss of use of their money when they overpay or pay early.

Published 6 May 2022

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## CMA publishes code of conduct advice for platforms and publishers

The Competition and Markets Authority (CMA) has today published its joint advice with Ofcom following a request from government which sets out how consumers and content providers, including newspapers, could benefit if the power of the biggest tech firms is properly managed. The advice was provided to the government in November 2021 and is now being published alongside the government's response to the digital markets consultation. It provides one example of how the government's proposed new regime for curbing the power of big tech platforms could apply in practice.

The advice sets out how a code of conduct, if introduced into law, would mean that big tech firms with significant bargaining power would have to agree fair and reasonable terms for the content they use on their platforms. It identifies a number of ways to do that, such as: – addressing concerns about the transparency of how algorithms work and which factors are used to determine where different publishers' content appears in searches; – giving publishers appropriate control over presentation and branding of their content; – driving improved practices in the sharing of user data between publishers and those platforms that host their content; and – redressing the imbalance in bargaining power in negotiations between publishers and the biggest platforms, by providing a framework for fair financial terms for publishers' content where this is hosted by the largest platforms with significant market power.

Under the government's proposals, the code would consist of a set of legally-binding obligations on the biggest tech firms, providing clarity about how these firms should behave when dealing with consumers and businesses, including publishers. In the event of a dispute between a platform and a publisher about the application of a code, the Digital Markets Unit (DMU) would have the role of deciding whether a contract or given behaviour by the firm was compliant. As set out in the advice, as well as more traditional enforcement powers to ensure compliance, the DMU should be given a backstop enforcement power to impose binding arbitration to ensure code breaches do not persist for long periods and incentivise swift resolutions.

The CMA expects this code to sit alongside other pro-competitive interventions, such as mandating that different services can work together, or that consumers are given choice as opposed to being defaulted to the same firm's supporting product. Such interventions would help directly tackle the sources of these platforms' market power and address market features like barriers to entry, which prevent challenger tech firms driving greater competition and innovation.

The advice – produced jointly by the DMU, part of the CMA, and Ofcom – sets

out the authorities' view on how a code of conduct could work in the specific instance of the relationship between platforms and content providers, including news publishers.

Other countries, such as Australia, have recently undertaken their own efforts to level the playing field between platforms and publishers. One of the key differences between the government's proposals and the approach followed in Australia in relation to news media is that the SMS regime in the UK has a broader focus. It is intended that codes of conduct for the biggest tech firms will shape their behaviour and reduce the imbalance of bargaining power across a range of digital markets. The advice published today sets out the CMA's current thinking on what guidance on assessing fair and reasonable compensation for content should look like under the SMS regime. It also discusses how approaches such as that being taken in Australia could incentivise adherence to conduct requirements that may be imposed on the biggest tech firms by the DMU in the future.

Andrea Coscelli, Chief Executive of the CMA, said:

Online platforms and news publishers play a vital role in how we read and understand what's going on in the world, which is why it is only right that news outlets are treated fairly by platforms that use and share their content.

Our advice published today clearly sets out how the Digital Markets Unit could create a more level playing field between platforms and publishers. This includes ensuring platforms are more transparent about how their algorithms work and setting out the steps that could be taken where there are disagreements between companies about payments.

We stand ready to assist the government in bringing forward the necessary legislation for the DMU as quickly as possible. In the meantime, we will not shy away from scrutinising the behaviour of big tech firms and using our existing powers to their fullest extent.

Dame Melanie Dawes, Ofcom Chief Executive, said:

Having a wide range of news sources and opinions is the cornerstone of our democracy, values and society. Today marks an important step towards securing a fair outcome in the relationship between online platforms and news publishers.

The way people use digital channels to communicate and get information is changing rapidly. We're taking a closer look at the potential benefits and threats to media plurality, and will be saying more on this later in the year.

1. For media enquiries, contact the CMA press office on 020 3738 6460 or [press@cma.gov.uk](mailto:press@cma.gov.uk).
2. The government is proposing a new pro-competition regime for digital markets, including enforceable codes of conduct applying to digital firms designated as having Strategic Market Status (SMS). Since the CMA and Ofcom's joint advice was submitted to government in November 2021, the thinking on the legislative framework has continued to develop. As a result, the language of the advice in terms of code "principles" does not necessarily match the language of the consultation response of "conduct requirements". However the two can be read interchangeably for these purposes.
3. The SMS test, for firms with Strategic Market Status, is subject to final legislation. As set out in [the government's consultation response](#) we expect the test will focus on identifying substantial and entrenched market power that enables the firm to act strategically. The DMU will apply this test rigorously based on a range of qualitative and quantitative evidence, including drawing on analysis undertaken as part of previous CMA projects such as the Online Platforms and Digital Advertising market study and Mobile Ecosystems market study. The DMU will consult transparently on its decisions to designate firms as having SMS.
4. The CMA and Ofcom's joint advice to government was provided following a request by the Digital Secretary in April 2021 for the non-statutory Digital Markets Unit (DMU) in the CMA to work with Ofcom to "look at how a code would govern the relationships between platforms and content providers such as news publishers, including to ensure they are as fair and reasonable as possible". [New watchdog to boost online competition launches](#).