

# CMA final decision on air traffic control charges

Press release

The CMA has sent the CAA its final price control determination on a dispute between the aviation regulator and NERL regarding air traffic control charges.



The Competition and Markets Authority (CMA) has acted as the independent body charged with looking into a price control dispute between the Civil Aviation (CAA) and NATS (En Route) Plc (NERL).

NERL is the subsidiary of NATS which holds a licence to provide en-route air traffic control services above the UK and the North Atlantic. NERL is regulated by the CAA.

NERL rejected the CAA's price control decision for the 5 year period 2020-2024 and so the CAA referred the matter to the CMA for investigation.

The CMA's investigation was underway before the coronavirus (COVID-19) pandemic. The pandemic has had a significant impact on air traffic and NERL's operations, with the longer term effects remaining unknown. The CMA therefore had to consider how it should take account of the impact of the coronavirus in the final determination, and invited representations on this.

In light of the evidence received, the CMA has concluded that it is not yet possible to assess the full impact of the pandemic on the aviation industry and NERL's business. The CMA has recognised that it is important for the industry and for NERL to have a clear framework within which to operate and has therefore based its final determination on the provisional findings, without making specific adjustments at this stage to take account of the impact of the coronavirus.

The practical effect of this approach is that for an interim period from 1 January 2020 to 31 December 2022, maximum charges for air traffic control services to airlines will in effect be set as if COVID-19 had not occurred.

This will provide important certainty to both NATS and its customers until such time as the impact on the industry can be better understood and a more comprehensive reworking of the regulatory settlement to adjust for what actually happened during this period can be undertaken.

The CMA has decided on price control mechanisms that are largely in line with those proposed by the CAA with some adjustments in line with NERL's submissions, and this will form the basis of the price control for an interim period from 1 January 2020 until 31 December 2022. The CAA will carry out a review of the price control within that time, which will include a reconciliation with actual data from the period affected by the coronavirus. The CMA final determination also requires improvements to capital expenditure governance and incentives which will apply beyond the 2020-2022 price control period.

Further information including a summary with details of the CMA's findings can be found on the [case page](#).

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## **Don't get Petfished: Vets and celebrities lead public warnings against 'cruel and opportunist' lockdown pet sellers**

Vets, charities and animal-loving celebrities have joined forces with a government campaign to warn prospective pet owners against unknowingly buying puppies, kittens, cats and dogs from unscrupulous sellers amid a rise in demand for pets since lockdown.

An open letter, signed by celebrities including Kirsty Gallacher, Paul O'Grady, Amanda Holden and David Gandy, and supported by charities including Battersea Dogs and Cats Home, the Blue Cross, Cats Protection, Dogs Trust and the RSPCA, is calling on the public to research sellers thoroughly online before buying.

These warnings follow continued demand for pets since lockdown eased, with online marketplace Preloved reporting that the number of pet listing has increased by nearly 50% since March. They are anticipating a further boom in adverts throughout the summer.

Pets4Homes has also said that they are experiencing not only a six-fold increase in new user accounts, but an average of 155 views per new pet

advert. Both Preloved and Pets4Homes are supporting the government's Petfished campaign, which urges people to stop and ask: 'Who's the person behind the pet?'

Despite a huge 125% increase in adverts posted across online marketplaces during lockdown for puppies, kittens, dogs and cats, demand continues to outstrip supply. However, the British Small Animal Veterinary Association (BSAVA) has advised that vets are dealing with ongoing cases where owners have been sold sick puppies and kittens by unscrupulous dealers as a result of new owners not researching sellers before buying their new pet.

Chief Veterinary Officer Christine Middlemiss said:

Prospective pet owners must beware of sinister sellers out there who breed animals purely for profit with zero concern for their welfare. The devastating consequences include crippling vet bills and, in the worst cases, animals having to be put down.

It's vitally important that people not only research the breed of animal they want but also the person selling it to them.

Animal Welfare Minister Lord Goldsmith said:

At this time when more people are looking for pets it is more important than ever that buyers do their research and ensure they go to a reputable seller.

Following the introduction of Lucy's Law earlier this year, everyone must now buy directly from breeders or consider adopting from rescue centres. So please look out for the warning signs and report any suspicious activity.

TV presenter Kirsty Gallacher, who has two dogs, British bull dog Betsy and French bull dog Bertie, said:

My dogs mean the world to me and pets bring joy to so many. It's shocking to hear the lengths deceitful sellers go to when selling pets and sadly this can mean animals come from low-welfare conditions with distressing consequences.

As pet lovers, we should take responsibility by always researching the seller before buying a new pet to ensure our four legged friends live happy and healthy lives.

The letter, also signed by former international rugby players Chris Robshaw and Sam Warburton, is part of the government's 'Petfished' campaign - a play on 'catfishing', where a stranger creates a fictional online persona to lure someone into a relationship - deceitful pet sellers use a similar tactic to

'Petfish' unsuspecting buyers.

Following [Lucy's Law](#) – meaning it is now illegal to sell a kitten or puppy you haven't bred - the Petfished campaign calls for consumers to remain vigilant, always researching the seller before visiting, reporting suspicious adverts and crucially be prepared to walk away and report suspected cases of animal abuse to the RSCPA or, if witnesses, the police.

British Small Animal Veterinary Association (BSAVA) President Ian Ramsey said:

Vets are continuing to see many owners who have been sold very sick puppies by unscrupulous dealers simply because new owners have not researched the seller before buying their pet.

As a result, vets see first-hand the distress and upset this can cause owners. We would urge anyone thinking of buying a puppy or kitten to check their pet is coming from a responsible seller before making a decision to buy.

To avoid being Petfished, the public are being urged to spot vital red flags when researching sellers, with the help of the acronym S.P.O.T:

### **Seller**

- Put the seller's name and phone number into a search engine – avoid those with multiple adverts.

### **Parent**

- Make sure you see puppies and kittens in their home with their mother.

### **Old enough**

- Check puppies and kittens are at least 8 weeks old before you take them home.

### **Treatment**

- Ask to see the animal's health records and avoid sellers who can't provide them.

Anyone looking to buy a pet can get tips and advice on the Petfished campaign website by searching 'Get your pet safely' or visiting [getyourpetsafely.gov.uk](http://getyourpetsafely.gov.uk)

### **Notes to editors:**

- Petfished is a public information campaign run by the Department for Environment, Food and Rural Affairs (Defra) in England. It is supported by a range of animal welfare charities, veterinary organisations and

commercial partners.

- Commercial third-party sales of puppies and kittens were banned in England from 6 April 2020. Known as [Lucy's Law](#), the law means anyone looking to buy or adopt a puppy or kitten must deal directly with the breeder or with one of the nation's reputable rehoming centres.

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## [Do you need to leave your home area to achieve a better life?](#)

Stark geographical inequalities in economic prosperity in Britain must be urgently tackled to ensure that people from all backgrounds have opportunities to get on, says the Social Mobility Commission in its report, [Moving out to move on: understanding the link between migration, disadvantage and social mobility](#), published today (Thursday 23 July).

The report shows that those who move to London and the south-east still have much better job prospects, and earn higher pay than those who stay in their areas irrespective of their background.

'Movers' will on average earn 33% more than 'stayers' and are 50% more likely to have a degree. They typically move whilst in their 20s – often gravitating towards London and the south-east – and are more likely to end up in managerial or professional jobs, says the research.

However, the study, based on analytical data and interviews with 'movers' and 'stayers', shows that those from more privileged backgrounds are still far more likely to move to prosperous areas with greater opportunities than those from poorer backgrounds.

People from poorer backgrounds living in deprived areas usually miss out. Constrained by financial barriers such as affordable housing, they are more likely to stay in their areas. 'Stayers' are less likely to be in a professional or managerial job than 'movers' and often find themselves in low-paid work with fewer prospects.

If they do move, they are 4 times more likely to move to an area of similar – or worse – deprivation than to more prosperous regions.

But 'stayers' often benefit from greater well-being and a sense of community. Almost two-thirds (64%) of those surveyed were homeowners compared with 55% of movers. Quality of life, personal connections and low living costs were also cited as reasons for staying.

The research was carried out by the [Institute for Employment Studies \(IES\)](#).

Dafni Papoutsaki, IES lead author, said:

Our research highlights the clear benefits and advantages to moving by those who can afford to but also underlines the important cultural, personal and familial reasons why people may choose to stay in the area where they grew up.

While moving towards more prosperous areas is linked to higher pay, those who move to affluent city centres do not necessarily have a better quality of life than those who stay where they grew up.

Policies that support both the individual and enhance infrastructure in less well-off areas can provide opportunities and a genuine choice of where to work and live, regardless of one's background.

### **Key findings from the report include:**

- men who stay in the most deprived regions are 14.3% points less likely to be employed in higher occupation levels, compared with men who move
- only 36% of 'stayers' have a degree, compared with more than half (56%) of 'movers'
- only 28% of 'stayers' without a degree work in higher managerial occupations, while 42% of 'movers' without a degree achieve higher managerial jobs
- average gross monthly earnings for 'stayers' are just £1,739, compared with £2,327 for 'movers' – a 33% difference
- 'stayers' are less likely to be employed in a higher managerial or professional occupation (39%) compared with 'movers' (59%)
- women are more likely to move than men, with women 16% more likely to move between affluent areas

The commission suggests coronavirus (COVID-19) could transform internal migration by allowing more people to stay where they grew up and work from home. The coronavirus (COVID-19) outbreak could make life harder for people with low-paid jobs in more deprived areas, but it could also be a timely opportunity to revolutionise working patterns. The report urges employers to ensure geographically diverse workforces by not only recruiting near their physical headquarters but also setting up proper flexible working arrangements.

The pandemic could make life harder for people with low-paid jobs in more deprived areas, but it could also be a timely opportunity to revolutionise working patterns.

Sandra Wallace, joint interim chair of the commission, and joint managing director Europe at DLA Piper said:

Home working has been successful for many employers and for particular job roles. It has also shown that people's views about

where they want to live, and why they want to live there may be shifting.

The commission sees the report as a springboard for a deeper conversation with local leaders, including local councils, metro mayors, educators and employers to boost social mobility in coastal and rural areas.

Policy suggestions include:

- universities and colleges should work together to ensure local areas have a coherent and flexible offer for school leavers
- local authorities and employers should work together to identify and correct any mismatch between local skills and local needs
- digital infrastructure and skills, transport connections and good quality, affordable housing should be prioritised by local leaders to attract new people
- councils should work with metro mayors and community groups to strengthen cultural identity in every local community

Sandra Wallace said:

In our combined efforts to rebuild the economy after the coronavirus (COVID-19) outbreak, we must mitigate the trade-offs involved in becoming more socially mobile and ensure that opportunity relies much less on geography. People should not have to move to prosper.

## **Notes to editors**

The commission board comprises of:

- Sandra Wallace, Interim Co-Chair, Joint Managing Director Europe at DLA Piper
- Steven Cooper, Interim Co-Chair, Chief Executive Officer C.Hoare & Co
- Alastair da Costa, Chair of Capital City College Group
- Farrah Storr, Editor-in-chief, Elle
- Harvey Matthewson, Aviation Activity Officer at Aerobility
- Jessica Oghenegweke, Presenter, BBC Earth Kids
- Jody Walker, Senior Vice President at TJX Europe (TK Maxx and Home Sense in the UK)
- Liz Williams, Chief Executive Officer of Futuredotnow
- Pippa Dunn, Founder of Broody, helping entrepreneurs and start-ups
- Saeed Atcha, Chief Executive Officer of Youth Leads UK
- Sam Friedman, Associate Professor in Sociology at London School of Economics
- Sammy Wright, Vice Principal of Southmoor Academy, Sunderland

The Institute for Employment Studies (IES) is an independent, apolitical, international centre of research and consultancy in public employment policy and HR management. It works closely with employers in all sectors, government

departments, agencies, professional bodies and associations. IES is a focus of knowledge and practical experience in employment and training policy, the operation of labour markets, and HR planning and development. IES is a not-for-profit organisation.

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## [£589 million to kickstart rail upgrades across the North](#)

- over £600 million worth of investment in northern rail network will drive improvements across the region, including release of £589 million for work to upgrade and electrify Transpennine main line
- new council, led by Grant Shapps as Northern Powerhouse Minister, will give northern leaders 'direct line' to ministers to accelerate transport projects
- body's work to drive progress across the North will be supported by Department for Transport (DfT) staff based in northern cities

To kickstart work on the Transpennine main line between Leeds, Huddersfield and Manchester, £589 million has been confirmed today (23 July 2020) by Transport Secretary Grant Shapps. The establishment of a new Northern Transport Acceleration Council dedicated to accelerating vital infrastructure projects and better connecting communities across the North's towns and cities has also been announced.

The most congested section of the route will be doubled from 2 to 4 tracks, allowing fast trains to overtake slower ones, improving journey times and reliability for passengers across the North. Most of the line will be electrified, and our ambition is to go further. Full electrification, digital signalling, more multi-tracking and improved freight capacity are now under consideration as part of an 'Integrated Rail Plan' due to report in December.

These improvements will allow all-electric services between Liverpool, Manchester, Leeds, York and Newcastle, bring longer and more frequent trains, and create significantly more local capacity along the line.

Improvements to allow more freight on the route, replacing thousands of diesel lorry journeys with electric freight trains, will also be considered in the plan.

Work is also underway to tackle the bottlenecks at either end of the route without which the upgrade's potential cannot be fulfilled. Leeds station is being resignalled and a new platform is being built. In central Manchester, development funding was [awarded last month](#) to tackle rail congestion.

The council launched today will ensure northern leaders have a direct line to



ministers and has been formed with the desire to cut bureaucracy and red tape so passengers can get the modern, reliable transport network they deserve as quickly as possible.

As part of the government's wider strategy to level up communities and strengthen devolution, the council's work will engage with DfT staff based in northern cities and dedicated to delivering for the North.

This follows the announcement of a range of investments to level-up infrastructure across the North including £20 million to deliver infrastructure renewals on the Tyne and Wear Metro, following the announcement of £15 million to upgrade Horden, Darlington and Middlesbrough stations.

Transport Secretary and Northern Powerhouse Minister Grant Shapps said:

People across the North rightly expect action, progress and ambition and this government is determined to accelerate improvements as we invest billions to level up the region's infrastructure.

We are determined to build back better at pace, and this new council will allow us to engage collectively and directly with elected northern leaders to build the vital projects the region is crying out for.

The Chancellor, Rishi Sunak, said:

Levelling-up opportunity will be key in our recovery from coronavirus and our long-term success will rely on having world-class infrastructure in all parts of the country. The Transpennine rail upgrade shows we are delivering on our promises to the North.

Mayor of Greater Manchester, Andy Burnham, said:

This feels like a gear change from the government in the delivery of transport improvements in the North of England and I welcome the new drive that the Transport Secretary is bringing to this.

People here deserve a modern, reliable public transport system and it is my hope that the Northern Transport Acceleration Council will bring forward the day when that is a reality. It is crucial that the council listens to the voice of the North and is accountable to people here through their elected politicians and bodies such as Transport for the North.

The additional funding for the Transpennine route upgrade is a welcome sign of intent from the government. The North has long

argued for the existing scheme to be upgraded to bring the full range of passenger and freight benefits and we are glad that the government has listened to this. But it is important to be clear that upgrading the existing railway between Manchester and Leeds does not diminish the need for a new line in Northern Powerhouse Rail nor does it solve the capacity issues in central Manchester which require a separate solution.

As we look to recover from COVID-19 and build back better, I am ready to work in constructive partnership with the government to get visible transport improvements as quickly as possible. My top priority is to build a London-style, integrated public transport system in Greater Manchester and I look forward to working with the Secretary of State on making this vision a reality.

The Northern Transport Acceleration Council will hold its first meeting in September and will be made up of mayors and council leaders with the Transport Secretary as chair. It will work closely with the Northern Powerhouse Growth Body to improve outcomes for people and places in the North.

Its establishment and the announcement of funds for upgrade works are the latest in a range of investments this government has put into northern transport.

In March, the DfT took over the running of rail services on the Northern network to deliver vital improvements and ensure that passengers are given the level of service they deserve.

At Budget the Chancellor confirmed over £720 million investment in local transport across the North through the Transforming Cities Fund.

Tees Valley Mayor Ben Houchen said:

As the country begins its economic recovery following the coronavirus pandemic it's vital that Teesside, Darlington and Hartlepool have the tools and infrastructure to play their part and achieve their potential.

This new body will not only give leaders like me another avenue to press our transport case to ministers. DfT staff based in the North will also see first-hand the challenges and opportunities we face, and the improvements and projects needed to unlock further growth and prosperity, with the ability to act on these.

It's also great to see more funding for the critical upgrades necessary to the Transpennine Route, which are desperately needed to bring about transformational change across the network. This will help increase capacity, reliability and connectivity between Redcar and Middlesbrough to York, Leeds and Manchester, giving our passengers, businesses and, ultimately, freight services the links

they deserve.

Minister for Regional Growth and Local Government Simon Clarke MP said:

Improving infrastructure to help better connect communities is key to this government's mission to level up every region.

The new Northern Transport Acceleration Council is an important step and will help to accelerate and deliver the tangible improvements people across the Northern Powerhouse want to see.

In May ministers gave the go-ahead to the A63 Castle Street scheme, which will better connect Hull's city centre with the city's retail and docks area and help boost economic growth in the region.

And earlier this month the government provided £1 million to fund a business case to transform the Queensbury Tunnel into a greenway cycling and pedestrian link between Halifax and Bradford.

At the end of this year the government will publish the Integrated Rail Plan, specifically looking at how to deliver Northern Powerhouse Rail, HS2 and other rail needs as quickly and efficiently as possible for the North.

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## **PM: Union stronger than ever**

- Marking one year as Prime Minister, Boris Johnson will today visit Scotland to reaffirm his commitment to supporting all parts of the UK through the pandemic
- During the visit, the PM will meet local businesses to discuss how they are getting back on their feet; entrepreneurs to see how green technology is driving innovation across Scotland and military to thank them for their efforts in the coronavirus response
- Ahead of the visit, the Prime Minister pledged £50 million to Orkney, Shetland and the Western Isles

Prime Minister Boris Johnson has reaffirmed his unwavering commitment to the union, marking one year as Prime Minister with a visit to Scotland and pledging further support for Scottish communities.

Ahead of the visit, the Prime Minister reiterated how the coronavirus pandemic has demonstrated, more than ever, that each part of the UK benefits from being together and the strength of the union has helped us through this crisis.

In Scotland, the UK Treasury has protected over 900,000 jobs and granted thousands of businesses loans; the UK's armed forces has airlifted critically ill patients from some of the most remote communities, helped convert the temporary hospitals and ran mobile testing sites; and the Department of Health and Social Care has procured millions of pieces of PPE to keep Scottish frontline workers safe. This is on top of £4.6 billion we have given straight to the Scottish administration to help tackle coronavirus.

The Prime Minister has also announced further support to Scottish communities, committing £50 million to Orkney, Shetland and the Western Isles, to help develop the islands' economic potential. The announcement means that every part of Scotland is now covered by the innovative growth deals and takes the UK Government's investment in these to more than £1.5 billion.

The multi-million-pound pot for the islands will lead to investment in local projects, driving sustainable economic growth and creating jobs. Projects set to be supported by the Islands Growth deal could include those developing space technology and others researching new renewable energy systems.

Prime Minister Boris Johnson said:

When I stood on the steps of Downing Street one year ago, I pledged to be a Prime Minister for every corner of the United Kingdom. Whether you are from East Kilbride or Dumfries, Motherwell or Paisley, I promised to level up across Britain and close the opportunity gap.

The last six months have shown exactly why the historic and heartfelt bond that ties the four nations of our country together is so important and the sheer might of our union has been proven once again.

In Scotland, the UK's magnificent armed forces have been on the ground doing vital work to support the NHS, from setting up and running mobile testing sites to airlifting critically ill patients to hospitals from some of Scotland's most remote communities. And the UK Treasury stepped in to save the jobs of a third of Scotland's entire workforce and kept the wolves at bay for tens of thousands of Scottish businesses.

More than ever, this shows what we can achieve when we stand together, as one United Kingdom.

During the PM's visit, he will meet with members of the military based in Scotland and their families to thank them for their ongoing work in the coronavirus response.

Following the Islands Deal announcement, Scottish Secretary Alister Jack said:

The City Region and Growth Deals will be crucial to our economic recovery from coronavirus. Today's announcement means that every corner of Scotland will benefit from these and takes the UK Government's investment in growth deals across Scotland to more than £1.5 billion.

These deals are just part of the unprecedented support that the UK Government is providing to people and businesses in Scotland during this time. We have supported 900,000 jobs in Scotland with our furlough and self-employed schemes, including 11,600 across the islands.

We look forward to working with our partners across the islands and the devolved administration in Scotland to develop innovative and effective proposals.

## **Notes to editors**

The UK Government has been working flat out to help Scotland deal with the pandemic.

People and businesses in Scotland benefiting from UK-wide support schemes from the UK Treasury include:

- Through the Coronavirus Job Retention Scheme 736,500 jobs in Scotland were supported.
- The Self-employment Income Support Scheme 155,000 self-employed people in Scotland were supported, at a cost of £449 million.
- Thousands of Scottish businesses will benefit from a £330 billion package of loans and guarantees to help them survive the economic fallout from coronavirus.

Scottish jobs will also be protected by:

- A VAT cut for tourism and hospitality businesses.
- Deferring VAT and Income Tax payments.
- A Statutory Sick Pay relief package
- Making Universal Credit easier to access.
- A financial support package for the ferry freight routes in and out of Cairnryan.

The UK Treasury is providing additional funding to the Scottish administration through the Barnett Formula – £4.6 billion.

The UK Department of Health and Social Care is supporting coronavirus testing with a national strategy. That testing strategy includes:

- Funding and operating six drive through testing facilities (Prestwick, Glasgow, Edinburgh, Aberdeen, Inverness, Perth).
- The military are providing the Scottish Government with pop up mobile testing sites throughout Scotland.
- We are funding a new 'megalab' in Glasgow, operated by Glasgow

University, which is now mass processing those coronavirus tests for key workers across Scotland.

The UK Department of Health and Social Care is supporting the development of a coronavirus vaccine, and has secured early access to 90 million doses for the whole of the UK. As a result, Scotland will have enough to vaccinate and protect priority groups such as frontline health and social care workers and those at increased health risk.

Our nationwide PPE procurement strategy is delivering kit to frontline workers right across the UK. So far, more than six million pieces of PPE have been delivered to Scotland.

The UK's military has played a key role supporting the fight to tackle coronavirus in Scotland. That includes:

- A team of military planning personnel supporting the Scottish Government's emergency co-ordination centre, based at St Andrew's House in Edinburgh.
- Officers working with each of Scotland's 14 NHS boards.
- Three Puma helicopters deployed to Kinloss Barracks to support the NHS in medical transports to airlift critically ill patients from the Scottish islands.
- The army supported the set-up of drive-through coronavirus testing facilities in Scotland, and were on site to support the start of testing at the Glasgow facility. The military are also operating 'pop up' mobile testing sites across Scotland.
- The military have distributed essential equipment, including PPE and ventilators, to hospitals across Scotland, and were instrumental in getting vital set-up equipment to the new testing megalab in Glasgow.
- The army assisted Greater Glasgow & Clyde Health Board with PPE fitting and testing for staff.
- The military helped NHS Scotland with initial work on the development of the temporary hospital at the Scottish Exhibition Centre.