

Press release: Tesco/Booker merger provisionally cleared after in-depth review

A group of independent Competition and Markets Authority (CMA) panel members has investigated how bringing together the UK's largest grocery retailer and the UK's largest grocery wholesaler would affect competition. It examined evidence from Tesco and Booker, as well as evidence from more than 65 wholesalers, suppliers and retail chains and a survey of hundreds of retailers.

The CMA found that Tesco as a retailer and Booker as a wholesaler – supplying to caterers, independent and symbol group retailers including Premier, Londis and Budgens – do not compete head-to-head in most of their activities. In particular, Tesco does not supply the catering sector to which Booker makes over 30% of its sales.

The group, recognising that Tesco's shops nevertheless compete with Booker-supplied shops, considered the impact of the merger in every local area where a Tesco and a Booker-supplied shop are both present (over 12,000 shops). It did this to examine whether, in any of these areas, it might be profitable for the merged company to raise prices or reduce service levels either in retail or wholesale. The CMA has provisionally concluded that the level of competition in the grocery wholesale and retail markets would be sufficient to defeat such a strategy.

A number of competing wholesalers expressed concern that Booker would benefit from improved suppliers' terms after the merger, making it difficult for them to continue to compete. They argued that as a result, in the longer term, Booker might be able to raise prices to the shops that it supplies.

The CMA found that it was likely Booker would be able to negotiate better terms from a number of its suppliers for some of its groceries, and that it was likely to pass on some of the benefits of these savings to the shops that it supplies. This might increase competition in the wholesale market, as well as reducing prices for shoppers. However, the CMA also concluded that the wholesale market would remain competitive in the longer term, noting that Booker's share of the UK grocery wholesaling market – at less than 20% – was not sufficient to justify the longer-term concerns.

Simon Polito, Chair of the inquiry group, said:

Millions of people use their local supermarket or convenience store to buy their groceries or essentials. Strong competition in the market ensures that shoppers can choose the best deal for them.

Our investigation has found that existing competition is

sufficiently strong in both the wholesale and retail grocery sectors to ensure that the merger between Tesco and Booker will not lead to higher prices or a reduced service for supermarket and convenience shoppers.

The CMA opened its phase 1 investigation into the merger in May. At the end of June, the companies requested a 'fast track' referral to the next stage of the investigation.

This is a provisional decision and the CMA is now inviting further comment and evidence before coming to a final view.

Notes for editors

1. Tesco operates more than 3,000 stores across the UK. Booker supplies services to over 5,000 'symbol' stores as well as to thousands of independent retailers and caterers.
2. A 'symbol' store is an independent grocery retailer operating under a brand owned by a wholesaler. The retailer is usually required to purchase some of its wholesale supplies from the brand owner, in return for use of the brand and other supporting services. Booker's symbol group brands are Premier, Londis, Budgens and Family Shopper.
3. The provisional findings also found that Booker operates a very small number of shops. In the areas where Tesco and Booker compete, the CMA has found that existing competition is likely to prevent prices from going up.
4. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law. For CMA updates, follow us on Twitter [@CMAgovuk](#), [Facebook](#), [Flickr](#) and [LinkedIn](#).
5. All the CMA's functions in phase 2 merger inquiries are performed by inquiry groups chosen from the CMA's independent panel members. The appointed inquiry group is the decision-maker on phase 2 inquiries. The CMA's panel members come from a variety of backgrounds, including economics, law, accountancy and/or business. The membership of an inquiry group usually reflects a mix of expertise and experience (including industry experience).
6. Media enquiries to the CMA should be directed to press@cma.gsi.gov.uk or 020 3738 6337.

Government response: Government response to The Mendoza Review: an independent review of museums in England

I am delighted to welcome the The Mendoza Review: an independent review of museums in England, and pleased to respond on behalf of Government.

In September 2016, the 'Mendoza Review' was launched with a public consultation. This met an earlier Government commitment, made in the Culture White Paper published by DCMS in March 2016, to a wide-ranging review, the first in ten years, of national, local, and regional museums. As the Culture White Paper said: Museums are jewels in our national crown and we want to ensure that they remain so and are as best-placed as they can be to continue supporting our aspirations for access, place-making and soft power.

The consultation was a great success, with over 1500 responses. The Government is grateful to those members of the public and museums and heritage sector staff who came forward to explain what museums mean to them. We would also like to thank the dozens of museums that warmly welcomed Neil and his team for visits and discussions, and the hundreds of people within the museums world who spoke to him, attended roundtable events, and provided views and information. We must particularly recognise Arts Council England and the Heritage Lottery Fund, which have worked closely with Neil, commissioned data and research to inform the Review, and will be responsible for taking forward many of the recommendations.

I am pleased to say that the Government accepts the report's recommendations and will begin work to prioritise and make them a reality. They are a sensible set of ideas, particularly within the current financial circumstances and in light of Britain's exit from the European Union, designed to streamline and improve how Government and its Arm's-Length Bodies operates with, for, and towards the museums sector – helping them to remain 'jewels in our national crown'.

Since becoming the Minister for Arts, Heritage and Tourism in June 2017, it has been a pleasure to visit museums and galleries around the country and meet with their leaders, volunteers, and visitors. I have been impressed with the breadth of work, from the major global stars like the British Museum and Tate directly sponsored by my Department, to museums like the Great North Museum: Hancock in Newcastle, the Geffrye Museum in East London, and the Museum of the Jewellery Quarter in Birmingham. I have heard about their challenges, and equally their successes.

We can be proud that we have world-leading museums in England. But, there is

no room for complacency. There are changing audience expectations, a greater need for museums as spaces of personal and community reflection and exploration, and opportunities in digital technology that need to be seized. We want to see museums that are strong and valued parts of people's lives, whose staff and visitors are diverse, and that protect, research, and share their collections. And we want to support museums to be at the centre of civic and economic development, helping our towns and cities succeed and individuals to live healthy and happy lives.

I am keen to recognise and celebrate the great work already underway, and to make sure that Government is doing all it can to support museums and enable them to succeed in today's world. Amongst the many important issues the Mendoza Review highlights, we have noted three particularly key points:

The Review found a very diverse and successful sector. It is undeniable that there are challenges, but museums are adapting with excellent examples of innovation and resilience all over the country. The Review sets out key priorities for the sector to enable it to take advantage of opportunities from collections, digital, diversifying workforces, and other areas. I look forward to working with ACE and HLF on ensuring work on these priorities is encouraged.

It is very interesting to see for the first time the money the taxpayer puts into museums shown together and, for the most part, quantified. As budgets continue to be tight, we need to make this money work as hard as possible for museums and the public. My role, which for the first time brings together culture and heritage, and sponsorship of ACE and HLF, offers us an opportunity to improve central Government's service to and funding of museums and ensure, as much as is possible, that public investment is effective, streamlined across the different awarding bodies, and directed towards agreed priorities.

A Government priority for museums, and all of arts and culture, is making sure that our outstanding heritage can be enjoyed by everyone, all over the country. The national museums my Department sponsors already do great work with many museums across England, the UK and internationally, but they can do even more. They need to align their work so there is a fair spread of national collections objects, exhibitions, and expertise being offered to other museums. So I am pleased to see recommended a partnership framework for how the nationals, ACE and HLF support the rest of the sector, especially outside London. Combined with the recommendations in the Strategic Review of DCMS-sponsored Museums, which Neil Mendoza has simultaneously led and which the Government also publishes today, this should ensure that national museum activity is joined-up, forward-looking, and supportive of our collective priorities.

The recommendations in the Mendoza Review create a solid foundation for how Government will do a better job at putting in place the conditions museums need to serve their audiences, care for their collections, and have sustainable futures as a key part of their local communities and economies.

I will take a close interest in the implementation of the Review within my

Department and with our ALBs, and look forward to helping all our museums continue to prosper, flourish, and provide immense enjoyment and knowledge to researchers and the public.

Press release: The first review of England's museums in over a decade recommends practical guidance for museums and galleries to thrive and grow

The Museums Action Plan will help England's museums and galleries to thrive and grow.

The review asks Arts Council England (ACE) and Heritage Lottery Fund (HLF) to show how they will deliver nine key priorities that will enable museums to diversify audiences, contribute to the identity of their local area and become more accessible.

Led by creative industry entrepreneur Neil Mendoza on behalf of the Department for Digital, Culture, Media and Sport (DCMS), the review also recommends that DCMS and its sponsored museums and galleries develop a partnership framework to improve how they work with museums across England, particularly in sharing expertise and ensuring the national collection is accessible to people throughout the country.

The review has identified 16 different sources of public funding and support that have been granted regularly to the museum sector over the last 10 years. This includes investment from central government, local authorities and the National Lottery as well as VAT refunds and the acceptance in Lieu and Cultural Gifts Scheme.

The nine key priorities that the Mendoza Review recommends that DCMS, ACE and HLF include in the Museums Action Plan are:

- Helping adapt to today's funding environment
- Improving curation and management of collections so that they are accessible to the public
- Growing and diversifying audiences

- Ensuring museums contribute to the priorities of the local area
- Delivering cultural education
- Developing future leaders
- Diversifying the workforce of museums
- Increasing digital capacity and using digital technology to create innovative and engaging exhibition content
- Work internationally

Neil Mendoza, author of *The Mendoza Review: an independent review of museums in England*, said:

England has a world-class museum sector. Museums play a vital role in the cultural life of the country. Museums sit at the heart of our towns, cities and communities. They are also our most successful tourist attractions. Their curators care for collections for all of us now and for future generations.

National and local government are both deeply involved in this important sector. This review sets out a series of recommendations to government and its key strategic and funding agencies (like Arts Council England and the Heritage Lottery Fund) requiring them to work closely together to help our museums flourish.

John Glen, Minister for Arts, Heritage and Tourism said:

I welcome this report from Neil Mendoza and want to thank him for his work. I am pleased that it has found such a successful and dynamic sector, and we can be proud that the UK boasts so many world-class museums.

The Museums Action Plan will provide additional leadership and expertise to local and regional museums to help them grow and thrive, increase audiences and ensure a sustainable future for this important sector.

The Mendoza Review found evidence of a “strong, dynamic” sector that is responding well to an increasingly competitive visitor market, with museums becoming more entrepreneurial and seeking other forms of income through

cafes, shops and educational services.

More than half of England's adults visited a museum last year and the sector now employs around 33,000 people. England is also home to three of the world's most visited museums.

The review received over 1,500 responses from museums and members of the public describing what museums mean to them. Arts Council England (ACE) and Heritage Lottery Fund (HLF) worked closely with the review team, commissioning data and research to inform the review and will be responsible for taking many of the recommendations forward.

[ACT for Youth: RUN HIDE TELL](#)



Security experts from CTP have commissioned the creation of an animated core film designed to teach young people how to react if caught up in an a gun or knife terror attack. The film, aimed at 11 to 16 year olds, will also show them what to do if they see suspicious behaviour or a suspicious item.

Versions of the new film for Key Stage 3 and 4 pupils, (ages 11-14 and 15-16), will be the cornerstone of teaching material, specially-designed by the PSHE Association and available to Schools and Youth organisations from today.

Once young people understand the RUN HIDE TELL advice they can progress to TREAT, which has been created in conjunction with St John Ambulance. This age-appropriate First Aid guidance has been specifically designed to allow a teacher or youth leader to show young people how to deliver trauma first aid to an injured person or themselves whilst HIDING and waiting to be rescued by the police.

All materials needed to deliver these sessions can be [found here](#).

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Press release: Industry-led review details plans to increase social impact investments in the UK

The review was commissioned by the government and led by Elizabeth Corley, chair of Allianz Global Investors, and an independent Advisory Group made up of 60 senior representatives from across the financial industry and social sector.

Entitled [Growing a Culture of Social Impact Investing in the UK](#), the report outlines key recommendations to help grow the number of social impact investors across the country and ensure financial providers help people support the issues they care about through their savings and investment choices.

The Advisory Group found there is a growing interest among individuals for their investments to have a positive impact on society, as well as produce financial returns. However the social impact investing market remains underdeveloped.

It urges the government and industry to support co-investment and increase the number of social impact investment opportunities in the market; strengthen competence and confidence within the financial services sector and make it easier for people to invest.

They also recommend that government and the social sector should look to increase reporting of the growth of the social impact investment market to give the financial services community a better understanding of the non-financial outcomes. The Advisory Group also underlined its commitment to building on their work to date to sustain momentum in developing the UK's social impact investment market.

The report has today been welcomed by Tracey Crouch, Minister for Sport and Civil Society, and Stephen Barclay, Economic Secretary to the Treasury,

Tracey Crouch, Minister for Sport and Civil Society, said:

We want people to make investments that reflect their values and

have a positive impact on the issues they care about. These recommendations are an important first step and I look forward to working closely with the industry to bringing social impact investment into the mainstream.

Stephen Barclay, Economic Secretary to the Treasury, said:

Social impact investing has the power to make a positive change in society, while also bringing positive financial returns. It's a win-win, which is why demand is growing. The market has enormous potential, but we need to make it easier for people to make a social impact investment. Today's recommendations will help make this possible.

Elizabeth Corley, vice-chair of the Advisory Group, added:

Our aim in undertaking this work was to broaden discussion and encourage wider debate around social impact investing to catalyse an increased focus on developing the market. The energy and ideas contributed by the members of the group demonstrate the degree of interest there is in moving social impact investing forward.

Drawing on the deep experience of our members, we have outlined a number of recommendations, allocated to specific market segments, that we believe will contribute to building a sustainable culture of social impact investing in the UK. Interest among individuals in seeing their savings and investments doing social and environmental good continues to grow and we hope this report and its recommendations will contribute to the work being done to keep the UK at the forefront of the social impact investing market.