

Regulators promote competition across sectors in 2021 to 2022

Competition law in the UK is enforced by the Competition and Markets Authority (CMA), the nation's primary competition authority, and, in certain sectors, by the relevant regulators.

In order for the regime to work effectively, there are rules on how the CMA and the sector regulators work together, which are known as the 'concurrency' arrangements.

Sectors covered by these arrangements account for approximately 25% of UK GDP and include services that most people use every day, such as communications, energy and water. This year's report is issued against the background of increasing concerns about the cost of living, following the economic shocks caused by the global Covid-19 pandemic and the invasion of Ukraine.

The report outlines how the CMA and other regulators have been working to promote competition and improve their collective ability to enforce the law. It also considers new challenges, like shortages and shipping bottlenecks, which have emerged over the past year as the global economy recovered from the effects of the Covid-19 pandemic.

Highlights of the 2021 to 2022 report include:

- 5 cases were brought to a close, including the PSR's first infringement decision which led to fines totalling more than £33 million
- 3 investigations – led by the CMA, Ofgem and Ofwat – resulted in firms signing formal commitments to improve their practices
- 4 new investigations were launched –in the digital advertising, electric vehicle charging and financial services sectors

The report also shows how the concurrency arrangements allow the regulators to help each other on a range of matters, including technical advice on specific markets and procedural guidance in competition investigations.

Andrea Coscelli, CMA Chief Executive, said:

This year, as we began to recover from the impacts of Covid-19, we also faced new challenges. The energy crisis and the invasion of Ukraine shook the world and have contributed to a sharp rise in the cost of living.

During difficult times, effective cooperation between authorities is especially important to help ensure that essential services are working well for the millions of people who depend on them.

By promoting healthy and competitive markets, we can help make sure households benefit from fair prices, good choice and quality

services.

I'm pleased with the positive outcomes our joined-up approach has brought this year – and I'm confident that the UK's competition authorities will continue to help people get a fair deal.

Read the Annual Concurrency Report 2022.

1. The sector regulators involved in the concurrency arrangements alongside the CMA are: Civil Aviation Authority (CAA), Office of Communications (Ofcom), Gas and Electricity Markets Authority (Ofgem), Financial Conduct Authority (FCA), Payment Systems Regulator (PSR), NHS Improvement (NHSI), Office of Rail and Road (ORR), Water Services Regulation Authority (Ofwat) and Northern Ireland Authority for Utility Regulation (NIAUR).
2. For media enquiries, contact the CMA press office on 020 3738 6460 or press@cma.gov.uk.

[CMA helps NHS secure price and supply commitment for cancer drugs](#)

News story

The CMA has worked to ensure that pharmaceutical company Aspen's commitments to reduce prices for life-saving cancer medicines can be enforced in the UK following its exit from the European Union.



The European Commission opened an investigation into Aspen in 2017 to investigate concerns that the company had engaged in excessive pricing for 6 off-patent cancer medicines. Last year the European Commission accepted commitments by Aspen to reduce prices for the 6 medicines to address these concerns.

As a result, Aspen reduced its prices across Europe – including in the UK – by an average of approximately 73%. In addition, Aspen guaranteed the supply of the 6 cancer medicines for a period of 5 years, and, for an additional 5-year period, will either continue to supply or make its marketing authorisation available to other suppliers. This means that over the 10-year period, Aspen cannot charge more than the price set out in the commitments.

Although these commitments were offered while the UK was a part of the European Union, the commitments became legally binding under EU law after the UK was no longer part of the EU.

The CMA has now assisted the NHS to secure binding undertakings from Aspen, under the law of England and Wales, which enshrine the UK elements of the commitments and are enforceable by UK courts, including in relation to the supply of these drugs in Northern Ireland and Scotland. This means that the NHS will have effective mechanisms to monitor and ensure compliance by Aspen following the UK's exit from the EU.

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[New 'fraud squad' will crack down on criminals who steal taxpayer money](#)

- The Chancellor has announced that a new fraud squad, recruited from data analytics experts and leading economic crime investigators, will crack down on criminal gangs who rip off the taxpayer.
- Operational in July and based in the Cabinet Office, the new £25 million "Public Sector Fraud Authority" will double funding for the Government's central counter fraud capacity.
- More details of the new fraud squad will be confirmed at the first meeting of the Chancellor chaired Efficiencies and Value for Money Committee today.

Rishi Sunak will unveil the new Public Sector Fraud Authority, which will be up and running by July, doubling the Government's central counter fraud capacity.

The new body will recruit leading data analytics experts and economic crime investigators to recover money stolen from Covid support schemes and spot suspicious companies and people seeking Government contracts. Counter fraud

experts will also mount mandatory inspections on Whitehall programmes to uncover vulnerabilities.

Chancellor of the Exchequer, Rishi Sunak said:

We will chase down fraudsters who rip off the taxpayer. This elite fraud squad, backed by £25 million, will ensure the latest counter fraud techniques are being used to track down these criminals.

People are rightly furious that fraudsters took advantage of our vital Covid support schemes, and we are acting to make sure they pay the price.

Minister for Brexit Opportunities and Government Efficiency, Jacob Rees-Mogg said:

Hardworking taxpayers must and will be protected. Anyone who tries to defraud the public purse will know that we as a government are coming for them and we are going to put them behind bars.

Recruitment for the Chief Executive of the Public Sector Fraud Authority will start in the coming weeks, with candidates picked from leading counter fraud experts. The new CEO will answer directly to the Chancellor and the Minister for Brexit Opportunities and Government Efficiency.

Mr Sunak will unveil details of the new counter fraud squad when he chairs the first meeting of the government's new Efficiencies and Value for Money Committee later today, set up at the request of the Prime Minister.

At the committee the Chancellor will also launch the Government's Plan for Protecting the Taxpayer to cut waste by slashing the Government's property bill, doubling the NHS efficiencies target, reducing non-front line civil service head count, as well as "quango" budgets and cracking down on fraud and error.

The committee is chaired by the Chancellor and deputy co-chaired by Simon Clarke, Chief Secretary to the Treasury and Jacob Rees-Mogg, Minister for Brexit Opportunities and Government Efficiency.

The full membership of the committee, confirmed today, is Steve Barclay, Chancellor of the Duchy of Lancaster, Oliver Dowden, Minister without Portfolio and Michael Ellis, Paymaster General and Minister for the Cabinet Office.

CMA to investigate ESS's move to three-year contracts for schools

Press release

The CMA is investigating whether education software company ESS is abusing a dominant position to push schools into accepting a new 3-year contract.



The investigation will assess concerns around a contract change made by Education Software Solutions Ltd Group (ESS) – the largest provider of school management information systems in the UK. The company is requiring its customers to move from one-year contracts to 3-year contracts and the CMA is considering whether schools were given sufficient time to consider their options, such as moving to an alternative provider instead of renewing with ESS for the full 3 years. The CMA is concerned that this change makes it more difficult for alternative providers to compete with ESS to win business.

In the UK, most state schools are required to have a management information system in place. These systems are used to handle student information, such as attendance and safeguarding. Some schools have told the CMA that the process for selecting an MIS is often lengthy and can involve complex procurement steps.

The CMA will be considering all relevant issues, including the concerns raised by schools and whether it should be imposing interim measures while its investigation is ongoing.

Ann Pope, Senior Director of Antitrust at the CMA, said:

We have heard concerns regarding ESS's contract changes. Thousands of schools rely on management information systems and their choice of supplier should not be restricted. The duration of the ESS contract has been significantly extended and schools should be able to pick the best provider for their needs.

While ESS has made some changes to its original position, such as

the introduction of a possible 6-month break clause, some schools tell us this is still not enough time. A formal investigation will allow us to consider this matter properly.

As part of its investigation, the CMA will also consider the pricing of some ESS product packages – specifically, it will look at how ESS’s management information system product is being sold alongside its financial management software. This could encourage customers to buy both products and deter customers moving away from ESS.

The CMA is concerned that, by adopting such a pricing strategy, market players that only offer one of these services may be unable to compete, potentially leading to an uncompetitive market in future.

More information is available on the [Investigation into the conduct of ESS case page](#).

1. No conclusion should be made that the law has been broken. The CMA has made no decision that ESS’s contracts need to change.
2. ESS is the largest provider of school management information systems in the UK. Its systems are currently used in England, Wales, and Northern Ireland.
3. The competition legislation relevant to the CMA’s investigation is the Competition Act 1998. The Chapter II prohibition in the Competition Act 1998 prohibits any conduct on the part of one or more undertakings which amounts to the abuse of a dominant position in a market, and which may affect trade within the UK.
4. The CMA may launch an investigation under the Competition Act 1998 if it has reasonable grounds to believe that there has been an infringement of competition law. If the CMA decides that there has been a breach of competition law then it can impose a fine up to 10% of ESS’s worldwide turnover, as well as issue legally binding directions to bring the breach to an end.
5. All enquiries from journalists should be directed to the CMA press office by email on press@cma.gov.uk or by phone on 020 3738 6460.
6. All enquiries from the general public should be directed to the CMA’s General Enquiries team on general.enquiries@cma.gov.uk or 020 3738 6000.

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Track worker struck by a train near Chalfont & Latimer station

News story

Track worker struck by a train near Chalfont & Latimer station, Buckinghamshire, 15 April 2022.



The location where the accident took place (image courtesy of the British Transport Police)

At around 09:31 hrs on Friday 15 April 2022, a track worker was struck by a train near Chalfont & Latimer station, Buckinghamshire, sustaining injuries that required hospital treatment.

The train involved, which was a London Underground Metropolitan line service from Baker Street to Chesham, was travelling at around 25 mph (40 km/h) on a section of track used by trains running in both directions, where the maximum permitted speed is 35 mph (56 km/h). There are two other running lines at this location.

The track worker was part of a group of three staff who were undertaking a scheduled track inspection. This was planned to take place while lines were open to traffic and with a system of work in place intended to keep staff away from moving trains.

Our investigation will aim to identify the sequence of events which led to the accident and will include consideration of:

- the actions of those involved
- the planned system of work
- the arrangements in place for planning work where lines are open to traffic
- the management of the competence of track workers
- any relevant underlying factors.

Our investigation is independent of any investigation by the railway industry

or by the industry's regulator, the [Office of Rail and Road](#).

We will publish our findings, including any recommendations to improve safety, at the conclusion of our investigation. This report will be available on our website.

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