

## **Council of the Competition Commission**

### **Minutes of the 76<sup>th</sup> meeting held in the North Pod Monday 9 March 2009 at 10.30am**

Present:

#### Council members

Peter Freeman (Chair)  
Christopher Clarke  
Peter Davis  
Tony Foster  
Diana Guy  
Patricia Hodgson  
David Saunders

#### In attendance

Rebecca Lawrence  
Rachel Merelie  
Clare Potter  
Anthony Pygram  
Douglas Robinson  
Gail Scott (minute taker)

#### **1. Minutes from meeting on 12 January 2009 (Item 1)**

1.1. The minutes from the last minute were approved.

#### **2. Chairman's Report (Item 2)**

The Chairman reported on recent events.

- 2.1. David Saunders was warmly welcomed as the new Chief Executive. He was appointed on 9 February 2009.
- 2.2. BERR had completed the recruitment of new members and fourteen of the candidates had been successful. BERR was in the process of confirming their start dates and would make a public announcement once this had been resolved.
- 2.3. The CC was in the process of recruiting a new Chief Economist and hoped to have the process complete sometime in March or early April.
- 2.4. The CC would be holding a roundtable discussion on 30 March about competition policy and the recession, with a view to clarifying internally, and possibly externally, the CC's policy.
- 2.5. The joint board meeting with the OFT in February had been a success. The meeting had produced a number of actions to be taken forward before the next meeting in July. Peter Freeman and Philip Collins would continue to meet on a monthly basis to monitor and discuss progress.

- 2.6. With regard to workload, the CC had received a new price determination reference from Ofwat on 5 March 2009. The OFT had also announced that it was launching a market study into local bus services and Isle of Wight ferry services, either of which could lead to a market investigation reference to the CC.
- 2.7. A new French Competition Authority had been created 'L'Autorité de la concurrence'. Bruno Lasserre, President of the now defunct French Competition Council, 'Conseil de la concurrence', had been appointed President. Members of the board of the new French Competition Authority had also been appointed.
- 2.8. Jon Leibowitz (already a Commissioner) had been designated to serve as Chairman of the US Federal Trade Commission. The other Commissioners currently in post were Pamela Jones Harbour, William E. Kovacic, and J. Thomas Rosch.
- 2.9. Ms Christine Varney had been nominated as Assistant Attorney General (Antitrust) at the US Department of Justice. Her appointment was subject to confirmation by the Senate.

### **3. Chief Executive's Report (Item 3)**

- 3.1. The Chief Executive presented his written report to Council.
- 3.2. David Saunders had met with all of the Senior Team and most members of staff. His main priority since his appointment was to focus on workload. David had met with some of the regulators and had discussed what work was going on that might lead to a CC reference. The CC was also busy working on remedies implementation and appeals. Senior managers were in discussion with staff who were not on an inquiry about internal projects to be undertaken as well as possible short secondment opportunities.
- 3.3. The NAO had completed their review of the OFT and were now looking at their next area of focus in competition. The NAO was likely to come back in the next few months with a plan.

### **4. Review of OFT discussions, markets and mergers (Item 4)**

- 4.1. There were several structured engagements with the OFT going on, and the next joint board meeting in July would be the next opportunity to report on progress.
- 4.2. David Saunders and Anthony Pygram had meet with Amelia Fletcher and Alastair Mordaunt as part of the work on mergers. Presentations on key topics were being organised to improve the understanding of the processes of the two organisations.

## **5. Draft Corporate Plan (Item 4)**

- 5.1. A revised draft of the Corporate Plan was presented to Council, which incorporated the suggested changes made at the last meeting. Further comments were made to provide greater clarity of the objectives for the new financial year. The plan would be revised and circulated again for comment by email.

**Action: Gail Scott**

- 5.2. Council discussed the CAT's judgement on the Tesco appeal and possible implications for future reports and CC inquiry processes. It was agreed that these mainly concerned the remedies aspects of our reports.

## **6. Budgets 2009/10 (Item 6)**

- 6.1. Council was presented with the latest figures of the CC's spending against its budget for 2008/09 and discussed how the budgets should be managed in the new financial year. David Saunders had met with Inquiry Directors to discuss how inquiry budgets were managed and how the process could be improved. This would also need to be discussed with Inquiry Chairmen. David Saunders would also look at the options for further savings and report back to Council.

## **7. Risk management (Item 7)**

- 7.1. Council was presented with a summary of internal audit's findings on risk management. Council agreed to have a separate meeting to discuss strategic risk management.

**Action: Gail Scott**

## **8. IT disaster recovery (Item 8)**

- 8.1. Council was presented with a summary of the CC's contingency plan in the event of a disaster. It was explained that the main services would be available immediately and within four days the whole system would be operating. As the service was delivered in-house the cost of the CC's disaster recovery plan was very reasonable. Council endorsed the report.

## **9. Any other business**

- 9.1. There was no other business.

Gail Scott  
March 2009