

Council of the Competition Commission

**Minutes of the 92nd meeting held in Hearing Room 5
Monday 23 May 2011**

Present:

Council Members

Roger Witcomb (Chairman)
Peter Davis
Grey Denham
Dame Patricia Hodgson
David Saunders
Lesley Watkins

In attendance

Carole Begent (for item 8)
Roland Green
John Kirkpatrick
Rachel Merelie
Jonathan Sandler
Katie Stone

Apologies: Laura Carstensen

1. Minutes from the meeting on 21 March 2011 (Item 1)

- 1.1. The minutes from the last meeting were approved.

2. Chairman's Report (Item 2)

- 2.1. Roger Witcomb gave an oral update on recent events in his first Council meeting as CC Chairman.
- 2.2. BIS had commenced the process for recruiting a new Deputy Chairman through an external competition.

3. Chief Executive's Report (Item 3)

- 3.1. The Chief Executive presented his written report to the Council.
- 3.2. Since the last meeting provisional findings from the Local Bus Services market investigation had been published.
- 3.3. Following the Ofcom decision on mobile termination rates in March 2011, which set a charge control on mobile call termination rates for the next four years, there had been appeals to the Competition Appeals Tribunal (CAT) by four telecoms companies. The CAT would decide whether there were price control matters to be referred to the CC. If so, the CC might expect to receive one or more references in the summer.

- 3.4. The Chief Executive confirmed that the CC completed the financial year within its budget. The CC may require greater budget from BIS in 2011/12 in the event that there was a fall in the income generated from renting out space in Victoria House.
- 3.5. Council noted and approved the Chief Executive's objectives for 2011/12. The Chief Executive noted that institutional reform would be the main focus of his work in the coming months.

4. Review of Council risk register (Item 4)

- 4.1. The updated Council Risk Register was presented for discussion. Council were content with the measures in place. Council noted that it was important that the CC managed its reputational risks, particularly during the institutional reform consultation period.

5. Annual Report (text and accounts)

- 5.1. Council was presented with the first draft Annual Report for 2010/11. Council provided comments on the report and suggested some minor changes to the text and the layout. Publication of the Annual Report would be at the start of July following a final approval of the text and the accounts at the June Council meeting.

6. Audit Committee Annual Report

- 6.1. Lesley Watkins, Chair of the Audit Committee (AC) presented Council with the 2010/11 AC Annual Report. The AC was satisfied that internal and external audit arrangements were adequate and that the assurances provided in respect of risk and control in the CC were comprehensive, reliable and sufficient to support Council in their decisions and their accountability obligations and adequate for the overall management of risk.

7. Institutional reform

- 7.1. John Kirkpatrick presented Council with the first draft of the CC's response to the BIS consultation document 'A competition regime for growth', which was published on 16 March 2011, with a closing date for response of June 2011. Ministers were expected to announce their decision on the issues covered by the consultation in the autumn.
- 7.2. Since publication of the BIS consultation document, the CC had engaged closely with its stakeholders, including BIS, OFT, and CC members. Roger Witcomb, Peter Freeman, David Saunders had a meeting with Vince Cable and Ed Davey on 5 May as part of the handover of the CC Chairmanship. Following the meeting, Roger Witcomb sent a short note to Ed Davey setting out the most important elements of the CC's views and proposing further discussion.
- 7.3. Ed Davey's visit the CC, to give a presentation to all staff, had been rearranged for 9 June. (Post meeting note: the visit was postponed again to 23 June).
- 7.4. Additionally, CC members and staff had attended and spoken at events organised by business, legal and economic organisations, setting out the CC's view on key issues. CC had used these opportunities to gather views and ensure that the CC views were understood.

- 7.5. Following a thorough review of the draft response, John Kirkpatrick agreed to revise the draft in the next week, in light of Council's comments. Council members would be given a further opportunity to comment before the Chairman signed off the submission to BIS before their 18 June deadline.

8. International work programme (Item 8)

- 8.1. Council were presented with a report on the CC's international activity since the last Council meeting and the activities planned in the future programme. Carole Begent gave an oral report on the ICN Annual Conference that took place in The Hague in May 2011.
- 8.2. David Saunders confirmed that the events on the international work programme were prioritised and that Council would be provided with a paper on the priorities for future international work in the autumn.
- 8.3. Council noted and approved the CC's international activity.

9. Learning and Development (Item 9)

- 9.1. Katie Stone presented Council with a report on learning and development in response to Council's expression of interest into the work the CC was doing to enhance staff skills and to help people to prepare for the possible transition to a new organisation.
- 9.2. In 2011/12 HR would seek to address, through learning and development, three broad areas: Knowledge, Job skills and Resilience.
- 9.3. Council noted the report and approved the way forward.

10. Any other business

- 10.1. There was no other business.