

Council of the Competition Commission

Minutes of the 78th meeting held in Hearing Room 4 Monday 22 June 2009

Present:

Council members

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

In attendance

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

1. Minutes from meeting on 18 May 2009 (Item 1)

1.1. The minutes from the last meeting were approved.

2. Chairman's Report (Item 2)

The Chairman reported on recent events.

- 2.1. The Department for Business, Enterprise, and Regulatory Reform had undergone a restructuring and would now be known as the Department for Business, Innovation and Skills (BIS). The Rt. Hon. Lord Mandelson would remain Secretary of State at BIS. Kevin Brennan had replaced Gareth Thomas as the new junior minister responsible for Competition.
- 2.2. The results of the Global Competition Review 2008 had been published and the CC had been awarded 5 stars for the third year running. The review did point out however, that the CC's cases can be long and heavy. Council agreed that it should note the comments made and continue to seek improvements.
- 2.3. Alison Oldale was welcomed as the CC's new Chief Economist.

3. Chief Executive's Report (Item 3)

The Chief Executive presented his written report to Council.

- 3.1. Work was underway to ensure that the CC would come within its budget by the end of the year. Spending was still relatively high for work on the bigger cases, such as Airports, and there was uncertainty over the predicted costs of some of the cases under appeal. To combat this, savings in other areas of the

organisation were being considered. A review of progress against the budget would be discussed at the September Council meeting.

- 3.2. Peter Freeman and David Saunders had recently attended a quadrilateral meeting with BIS, HMT, and OFT. The meeting had included some discussion about possible changes to the competition regime ahead of the next election. The CC would consider its views and report back to the quadrilateral.
- 3.3. A review of the CC's travel and subsistence policy would be discussed at the September Council meeting.
- 3.4. Peter Freeman and David Saunders would be meeting with CBI in early July and would discuss views on the £5m de minimis threshold amongst other things.
- 3.5. BIS had said it would be looking at whether the OFT should be charging increased merger fees, and what amounts. BIS would be inviting OFT, HMT and the CC to comment.
- 3.6. The next stakeholder's survey would be conducted in 2009, and the policy team was planning how it would carry out the process this year.

4. International bodies (Item 4)

- 4.1. The Chairman presented a paper outlining some of the issues when attending international competition events. Council discussed the paper and considered what should be an appropriate contribution by the CC and how the CC could be better organised for these events. It was agreed that improvement could be made around the way the information obtained at these events was fed back internally.
- 4.2. As dates for some of the key events for next year were already known, it was agreed that the CC's contributions should be planned in advance. A project plan would be prepared and considered by Council.

5. Governance review (Item 5)

- 5.1 Council considered the governance review paper which included terms of reference for the Senior Management Team (SMT). Council agreed the terms of reference for the SMT, and asked for a review of the relationship between Council, the SMT and other CC groups, to be brought to Council for discussion later in the year.

Action: David Saunders

6. Board meeting with OFT in July (Item 6)

- 6.1. The agenda for the OFT Board/ CC Council meeting on 16 July would include a review of progress made since the MIR report and an update on the mergers review. The papers would be finalised and circulated to Council about a week before the meeting.

7. Publication of expenses (Item 7)

- 7.1 Council raised concerns that the expenses paper did not correctly reflect all the costs under the correct categories. The paper would be reviewed and brought back to Council in September.

Action: Rebecca Lawrence

8. Draft Annual Report 2008/09 (Item 8)

- 8.1. Council was provided with the latest draft of the Annual Report, which was due to be published on 9 July.

9. Any other business

- 9.1 There was no other business

Gail Scott
June 2009