

## **Terms of reference and conduct of the investigation**

### **Terms of reference**

1. On 26 May 2005 the OFT sent to the CC the following reference, as set out below:

The OFT, in exercise of its powers under section 131 of the Enterprise Act 2002, hereby makes a reference to the Competition Commission for an investigation into the supply of personal current account banking services (the reference services) in Northern Ireland.

The OFT has reasonable grounds for suspecting that a feature or combination of features of the market in which the reference services are supplied prevent, restrict or distort competition in connection with the supply of the reference services in Northern Ireland, being a part of the United Kingdom.

For the purposes of this reference:

“Personal current account” means an account, marketed to individuals not businesses, which provides the facility to hold deposits, receive and make payments (cheques and debit cards) and use automated teller machine (ATM) facilities and to make regular payments (direct debit and standing orders).

*(signed)* **JOHN VICKERS**  
**Chairman**  
**26 May 2005**

### ***Conduct of the investigation***

2. Notices inviting interested parties to submit evidence to the CC were placed in the *Belfast Telegraph*, *Daily Ireland*, *Irish News*, *Newsletter*, and *Sunday Life Belfast*. We also posted an invitation to express views to us on the CC website.

3. We sought evidence from providers of PCAs and other interested parties. Non-sensitive versions of the evidence provided to us can be found on the CC website.
4. The CC commissioned research to explore consumer's perceptions and experiences of PCAs. Millward Brown Ulster carried out qualitative research in November 2005, conducting focus group discussions with holders of PCAs in Northern Ireland. ORC International conducted telephone interviews with a representative sample of the adult population of Northern Ireland in October and November 2005. The results of both surveys were published on the CC website. A quantitative survey, which is still on going at the time of publication of provisional findings, is looking particularly at overdraft charges and charging practices (the BMRB survey). We have also seen customer and other survey material commissioned by the banks and other bodies.
5. Members of the Inquiry Group accompanied by staff, visited BoI, First Trust, Northern and Ulster at their offices in Belfast in September 2005. They also held meetings in Belfast with community groups, political parties and local authorities in February 2006. Members of staff visited A&L and GCCNI. The Chairman of the inquiry group and staff visited Belfast on the publication of our Emerging Thinking document in April 2006.
6. We held two hearings with each of BoI, First Trust, Northern, Ulster, Abbey, A&L, Halifax, Nationwide and the GCCNI and one hearing with *Which?*. Non-sensitive version of parties' initial submissions and responses to the Emerging Thinking document and summaries of key points made at the hearings can be found on the CC website. Discussions were also held with the OFT, FSA, and BCSB.
7. In the course of the investigation so far we have published our Statement of Issues (published on 28 October 2005), the reports of the Millward Brown and ORC surveys,

a number of working papers and the CC Emerging Thinking document (published on 28 April 2006). We sent to the parties copies of these, which can be found on our website along with non-sensitive comments received from the parties. Further working papers were sent to the parties after Emerging Thinking; these have not been published but are incorporated into the report and its appendices.

8. We would like to thank all those who have assisted in our investigation so far.
9. A copy of this provisional findings report has been placed on the CC website.