

Annual Plan 2009-10

An OFT consultation

November 2008

OFT1036con

Presented to Parliament pursuant to section 3(3) of the Enterprise Act 2002

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Scope of this consultation

Topic of this consultation	The Office of Fair Trading's Annual Plan for 2009-10. The Annual Plan is published pursuant to s.3 of the Enterprise Act 2002.
Scope of this consultation	The consultation is intended to give stakeholders the opportunity to provide views and comments on OFT's proposed Annual Plan for 2009-10, which sets out the organisation's main objectives and priorities for the year.
Geographical scope	There is no specific geographical dimension to this consultation.
Impact assessment	Not applicable for this consultation.

Basic information

To	This consultation is aimed at all those who have an interest in the activities of the OFT. In particular, it may be of interest to business and consumer groups, the Trading Standards community and legal advisors.
Duration	14 November 2008 to 6 February 2009
Enquiries	By telephone: Mark Dungworth (020 7211 8241) By email to: mark.dungworth@oft.gsi.gov.uk By fax to: 0207 211 8809 By post to: Mark Dungworth, Strategy and Planning, Office of Fair Trading, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX
How to respond	Consultees responding to this consultation are asked to supply a brief summary of the interests or organisations they represent, where appropriate. We ask that any suggested changes or comments on the documents be submitted in writing (by email, or alternatively by letter or fax). Please send responses to Mark Dungworth using the contact details above, by 6 February 2009 at the latest.
Additional ways to become involved	We will contact a number of stakeholders to ask for their views.

After the consultation	We will collate responses to the consultation and publish a formal summary of these, along with a final version of the amended Annual Plan 2009-10 in March 2009, taking into consideration comments made in response to the consultation. Both documents will be available on our website at www.ofst.gov.uk .
Compliance with the Code of Practice on Consultation	This consultation complies with the Code of Practice on Consultation.

Background

Getting to this stage	No preliminary work has been conducted.
Previous engagement	There has been no previous engagement activity.

Feedback about this consultation

If you wish to comment on the conduct of this consultation or make a complaint about the way this consultation has been conducted, please write to:

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A copy of the key criteria from the Better Regulation Executive's *Code of Practice on Consultation* can be found in Annexe B.

Data use statement for responses

Personal data received in the course of this consultation will be processed in accordance with the Data Protection Act 1998. All information received (including personal data) is subject to Part 9 of the Enterprise Act 2002. We may choose to refer to comments received in response to this consultation in future publications. In deciding whether to do so, we will have regard to the need for excluding from publication, as far as that is practicable, any information relating to the private affairs of an individual or any commercial information relating to a business which, if published, would or might, in our opinion, significantly harm the individual's interests, or, as the case may be, the legitimate business interests of that business. If you consider that your response contains such information, that information should be marked 'confidential information' and an explanation given as to why you consider it is confidential.

Please note that Information provided in response to this consultation, including personal information, may be the subject of requests from the public for information under the Freedom of Information Act 2000 (FOIA). In considering such requests for information we will take full account of any reasons provided by respondents in support of confidentiality, the Data Protection Act 1998 and our obligations under Part 9 of the Enterprise Act 2002.

If you are replying by email, these provisions override any standard confidentiality disclaimer that is generated by your organisation's IT system.

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1 INTRODUCTION

- 1.1 The Office of Fair Trading (OFT) is conducting a public consultation on its draft Annual Plan for 2009-10. Section 3 (2) of the Enterprise Act 2002 requires that the OFT shall, for the purposes of public consultation, publish a document containing proposals for its annual plan at least two months before publishing the annual plan for any year. This consultation document fulfils this criterion as well as following the criteria set out in the *Code of Practice on Consultation* (available from www.berr.gov.uk/files/file47158.pdf). The criteria set out in that code are in Annexe B of this document.
- 1.2 This consultation is intended to give stakeholders the opportunity to provide views and comments on the OFT's proposed Annual Plan for 2009-10, which sets out the organisation's main objectives and priorities for the year. We are keen to hear from all those with an interest in our work.
- 1.3 We will collate responses to the consultation and publish a formal summary of these, along with a final version of the amended Annual Plan 2009-10 in March 2009, taking into consideration comments made in response to the consultation. Both documents will be available on our website at www.offt.gov.uk

2 KEY THEMES FOR OFT FOR 2009-10

- 2.1 The changing circumstances in the UK and international economies mean that flexibility is a key requirement for the OFT in the year ahead. The fates of businesses, consumers and markets are all likely to be less predictable in 2009-10 than they have been in previous years.
- 2.2 In a downturn, it is vital that a strong competition regime protects consumers and legitimate businesses – uncompetitive markets and anti-competitive behaviour can hurt other businesses just as much as, and sometimes more than, consumers. Our mix of competition and consumer powers enables us to use a wide range of remedies and to take a highly flexible and proportionate approach.
- 2.3 We will move quickly and efficiently to deal with new problems that arise, ensuring that consumers and markets remain properly protected from anti-competitive or unlawful behaviour across the economy. We will prioritise our work carefully to ensure that we maximise our impact across all of our work, and will keep our portfolio of work under review throughout the year.
- 2.4 We are already working to ensure that we are as transparent as possible in our dealings with business, but we want to go beyond this to ensure that both the nature of our work and its positive effects are better understood by business, and to actively engage with business and trade associations on self-regulation, governance and compliance. The further we can raise these issues up the boardroom agenda, the less likely we are to have to take enforcement action further down the line.

2.5 Where serious problems do emerge, we remain committed to taking strong action to protect markets and consumers. We have already demonstrated that we are prepared to use the powers that we have, including criminal enforcement powers, to their fullest extent. We will continue to do so wherever the circumstances justify it, both in order to prevent direct harm to consumers and to ensure that the wider educational and deterrent benefits of our actions are maximised. Businesses and individuals who disregard their legal obligations to the detriment of consumers and competitors will not be able to use their economic circumstances as an excuse.

Q1 – Do you agree with the OFT's views on key themes for its work in 2009-10 as set out above?

Q2 – Are there any other key themes for 2009-10 that you think the OFT's Annual Plan should address?

3 FORTHCOMING ISSUES FOR THE OFT

EU Directives

Review of the Consumer Acquis

- 3.1 The European Commission (EC) is currently undertaking a review of eight key directives that make up the 'Consumer Acquis', which are the directives on doorstep selling, distance selling, package travel, unfair contract terms, timeshare, the sale of goods and associated guarantees, price indications and injunctions. The review is intended to simplify and modernise consumer law, achieve better regulation and increase consumers' confidence in the single market.
- 3.2 A draft directive (the Consumer Rights Directive) designed to amalgamate four existing directives – doorstep selling, distance selling, unfair contract terms and the sale of goods and associated guarantees - was published by the Commission in October 2008.
- 3.3 The review of the Consumer Acquis is fundamental to our work as much of the consumer protection law that we enforce is drawn from the Consumer Acquis directives. The review will therefore have a significant effect on consumer policy and protection in the UK. We are working with the Department of Business, Enterprise and Regulatory Reform (BERR) and the EC to take the review forward and to ensure that the Consumer Rights Directive achieves its aims. We will continue to do so throughout 2009-10.

Consumer credit

- 3.4 The new EU Consumer Credit Directive, updated to address changes in consumer credit markets across Europe in the last two decades, was adopted in April 2008. The Directive focuses on transparency and consumer rights in consumer credit agreements, dealing with issues such as the information to be provided to consumers before entering into an agreement.

- 3.5 Member states are required to implement the Directive by June 2010, and BERR are aiming to consult on draft legislation in April 2009. We are working closely with BERR to ensure that appropriate changes are made to consumer credit legislation in the light of the Directive.

Services Directive

- 3.6 The EU Services Directive, published in 2007, is designed to break down barriers to cross border trade in services between EU Member States. The Directive is due to be implemented by December 2009.
- 3.7 As part of the implementation process the OFT has screened its areas of responsibility to ensure the Directive's requirements will be met, and to ensure the necessary procedures for effective co-operation with other member states will be in place. We will continue to work with BERR to ensure the successful implementation of the Directive.

Better regulation

Regulatory sanctions

- 3.8 Part 3 of the Regulatory Enforcement and Sanctions Act 2008 came into force on 1 October 2008. Following the Macrory review of regulatory sanctions in 2006, Part 3 allows ministers to give regulators access to four new civil sanctions, intended as alternatives to criminal prosecution and to allow regulators to be more consistent, flexible and proportionate in their enforcement work. These sanctions include powers to impose fixed monetary penalties, discretionary requirements, 'stop' notices, and to accept enforcement undertakings in lieu of prosecution.
- 3.9 The OFT is currently considering whether it should apply to have access to these new sanctions. Should we do so, we will work to ensure that we meet the requirements set down for regulators who wish to use these powers, and to integrate these new options into our enforcement toolkit for taking action to protect consumers and markets.

Minimising burdens on business

- 3.10 Part 4 of the Regulatory Enforcement and Sanctions Act also came into force on 1 October 2008, imposing on the OFT a duty to keep performance of our regulatory functions under review and secure that we do not impose or maintain unnecessary burdens on business. This followed the coming into force of the Regulators' Compliance Code in April 2008. Ensuring our actions are targeted and proportionate, and thereby minimising any such burdens across all aspects of our work, not just our regulatory responsibilities, is a key priority for the OFT and we will continue to work to do so.
- 3.11 We will work closely with our stakeholders to give businesses opportunities to learn about and comment on all aspects of OFT's dealings with them, and to say whether they think we are imposing unnecessary burdens. We will analyse and report on what is said to us, and will ensure that the lessons learned from this engagement are reflected in our policies and procedures as required by the Compliance Code and Part 4.

Q3 – Do you agree with the OFT's proposed responses to the forthcoming issues set out above? If not, what are your views on what the OFT's response should be?

4 PERFORMANCE FRAMEWORK AND OBJECTIVES

4.1 2009-10 is the second year of the performance framework for 2008-11 that we agreed with the government as part of the 2007 Comprehensive Spending Review (CSR07). This framework provides our four main objectives and underpins our plans for the year ahead, setting out our commitments to the Government, consumers and businesses.

Objective 1: To deliver high-impact outcomes

Make markets work well for consumers by delivering high impact work efficiently, focused on priority areas, and spanning the OFT's enforcement and non-enforcement functions.

- 4.2 Under our CSR07 Performance Framework Agreement, the OFT has agreed to do the following:
- In each Annual Report provide quantitative evidence of how the OFT delivers direct financial benefits to consumers of at least five times that of its cost to the taxpayer across the spending review period.
 - In each Annual Report estimate the additional wider benefits of the OFT's work, for example, increasing consumer and business confidence in markets and deterring future anti-competitive behaviour.
 - Publish annually statistics and information on all the OFT's enforcement and non-enforcement outcomes, including comparisons with previous years' statistics and, where applicable, other leading national competition authorities (NCAs).
 - Publish a project performance management system, including anticipated timeframes for the completion of principal types of projects, and report annually on performance against this framework and the proportion of projects delivered within the anticipated timeframes (with explanations for projects not completed in time).

- Publish and continue to develop a framework for prioritising work, drawing on information from complaints to the OFT and Consumer Direct (CD), proactive market monitoring and project evaluation work. Report annually on how the framework has been reflected in projects carried out.
- Publish detailed performance monitoring arrangements for CD and report annually on success against those targets. Demonstrate that CD is generating benefits of at least three and a half times its operating costs.
- Ensure that investigations are conducted in a transparent manner, with parties frequently informed of the status and anticipated time frame of the investigations in which they are involved.

4.3 Alongside the above, during 2009-10, the OFT will:

- Concentrate our enforcement work on areas where we believe the benefit to consumers and the economy from our intervention would be the greatest, using the full range of our tools. We will use our prioritisation principles to enable us to target our resources effectively, and take into account the resources available to our enforcement partners. Our focus is on preventing and bringing an end to serious misconduct and increasing overall compliance levels, through both the direct consequence of our actions and through wider deterrent and educational effects. We will continue to establish legal precedent through enforcement where appropriate, bringing clarity and certainty for business and consumers in areas of contention and dispute.
- Work to ensure that our interventions are as swift, efficient and transparent as possible. We fully recognise the need to ensure that we do not impose unnecessary burdens on business and will make every effort to avoid doing so in the course of our work. We will provide transparent information on all of our cases as far as is possible, and will continue to work closely with our stakeholders on developing ways in which the OFT can be more transparent.

- Continue to work to ensure that the UK merger regime operates in a timely and efficient manner, protecting consumers from mergers that could damage competition whilst minimising the regulatory burdens on business. We will accept offers of merger undertakings where these would clearly resolve our concerns, and will refer other problem cases to the Competition Commission (CC). We will continue to investigate mergers that have not been notified to us where we believe that consumers may be at risk of adverse consequences from those mergers. We will also continue to provide informal assistance in merger cases that raise genuine competition issues and where our involvement would assist businesses in ways that their advisors cannot.
- Investigate and challenge anti-competitive agreements. We will continue to work to root out hard-core cartel activity across the whole of the UK economy, and remain fully committed to using our criminal powers in respect of cartel activity where this is appropriate.
- Use our market-wide tools to raise industry standards, increase business and consumer awareness and remedy generic issues of market failure. Where we identify structural defects within markets we will seek solutions to address these problems as quickly and efficiently as possible.
- Work to ensure that the impact of the OFT's work, and the attendant benefits for all participants in the economy, are more widely known and understood amongst businesses, consumers and other interested parties. We will be clear and open about the reasons for our actions and interventions, so that they can have a wider impact through promoting compliance with the law across the business community.
- In those areas where the OFT has direct regulatory responsibilities, such as anti-money laundering and consumer credit licensing, we will continue to deliver effective and efficient regimes that protect markets, businesses and consumers while minimising the regulatory burden on business. We will focus our efforts on activities that

represent high risks to consumers, and examine harmful practices such as irresponsible lending.

- Make full use of our consumer protection powers to ensure that consumers are not disadvantaged by businesses that do not comply with their legal responsibilities. We will also continue to take strong and effective action to keep mass marketed scams from causing harm to consumers and to legitimate business, identifying and acting against new scams quickly and using innovative approaches to further target those already in use.

Q4 – Do you agree with the OFT's proposed commitments for 2009-10 under this objective, as set out in paragraph 4.3? Are there any other issues or areas that you think should be covered in this section?

Objective 2: To be a centre of intelligence and excellence

Monitor markets proactively, systematically and transparently. Evaluate the impact of our work, and use this evaluation to inform strategy and future work. Provide effective education and advice for consumers, including through Consumer Direct. Promote innovative approaches in our work.

4.4 Under our CSR07 Performance Framework Agreement, the OFT has agreed to do the following:

- Systematically monitor markets, with the aim of progressively increasing impact from the proactive market studies, investigations and advocacy programme, as measured by increases in consumer welfare or other relevant indicators of impact
- Publish objective criteria for undertaking and terminating market studies.
- Evaluate the impact of at least two market interventions (including at least one market study) annually and publish the results. Evaluate the specific impact of consumer campaigns on at least two markets per year, and report on the results.

- Demonstrate an increasing awareness of the OFT's work and role, through measures such as survey evidence and number of website hits.
- Take action to drive up the average quality of complaints received, and respond to 90 per cent of public enquiries within 10 days.
- Demonstrate the use of innovative and appropriate approaches to market problems, recording in the Annual Plan examples such as direct settlement, third party interventions and new types of study.
- Maintain or improve the OFT's rating as one of the top consumer and competition authorities in the world as measured by BERR's peer review, Global Competition Review and other appropriate measures.
- Monitor and increase the number of OFT decisions cited favourably in international competition and consumer policy debate (e.g. through LexisNexis citations).

4.5 Alongside the above, during 2009-10, the OFT will:

- Monitor markets proactively, and ensure that we have the intelligence we need to perform all of our functions by identifying and filling any gaps. We will continue to scrutinise markets that have been identified as having consumer and competition problems in the past, for example by monitoring developments in the market for personal current accounts. We will work closely with the CC to develop, monitor, and review remedies in markets that we refer, where appropriate.
- Broaden our information sources and develop our means to identify, monitor, collect, analyse and use information on a more systematic basis, so we have a better picture of the problems/harms affecting consumers and better data to inform our decisions on what issues to tackle and which tools to use to secure high-impact outcomes.

- Match our data sources to our information needs so that we do not ask for information that we do not need. We will use the information and intelligence that we have as efficiently as possible, improving the quality of our internal knowledge-sharing systems, and building on the analytical tools that we currently have access to, in order to minimise the amount of information we request. We will develop our use of the National Intelligence Model across our consumer protection work and elsewhere as appropriate.
- Ensure that our intelligence and expertise are appropriately shared with others. We will further develop our inter-agency working with the CC, Local Authority Trading Standards (LATSS), government departments and other key stakeholders to facilitate better sharing of best practice and technical knowledge. We will co-ordinate with fellow competition and consumer authorities to make our work more effective, both through bilateral relationships and through active participation in the Consumer Protection Cooperation Network and the European Competition Network. We will share and co-ordinate, where appropriate, our research with stakeholders and partners so that it can help shape the debate on competition and consumer issues.
- Continue with our approach of evaluating the impact of our work and using the outcomes of this evaluation to improve and inform our decisions on overall strategy and future projects. As our understanding of the impact of our work develops we can put this learning to good use in refining and streamlining our approach to interventions, getting the most value for consumers from the work we choose to take forward, and making better and more informed decisions as to which work we should prioritise.
- Take full account of the lessons from external reviews of our performance, such as the Global Competition Review, BERR's peer review, and the 2008 National Audit Office (NAO) report. We will look closely at the conclusions reached by these reviews and their suggestions for improvement in our performance, and make full use of these in delivering better outcomes for consumers.

Q5 - Do you agree with the OFT's proposed commitments for 2009-10 under this objective, as set out in paragraph 4.5? Are there any other issues or areas that you think should be covered in this section?

Objective 3: To work in partnership

Work with our partners to better achieve objectives 1 and 2. This will include: working with LATSS to pursue a risk-based approach to local regulation of businesses; co-operating with other UK regulators, the EC, the CC and other NCAs to ensure effective enforcement of the competition regime in the UK; and working with government to influence competition, regulation, and consumer policy, and reduce the potential for government actions to adversely affect markets.

4.6 Under our CSR07 Performance Framework Agreement, the OFT has agreed to do the following:

- Deliver and extend the joint implementation plan with LATSS. Demonstrate a more consistent, better-coordinated service delivery, and a more risk-based approach, leading to reduction in the administrative burdens placed on fair-trading businesses, promotion of the well-being of local communities, and improved economic productivity and efficiency.
- Have an increasing impact on government policy through regulatory impact assessments, regulatory reviews and wider advocacy work, and monitor and improve the feedback we receive from other government departments through our advocacy work.

4.7 Alongside the above, during 2009-10, the OFT will:

- Continue to develop our strategic and operational partnership with LATSS, building on the results we are already delivering together. We will concentrate on developing our intelligence capabilities, delivering high impact joint enforcement work, and demonstrating clear benefits to consumers. We will support the Local Better Regulation Office (LBRO) on the delivery of better local regulation as it affects LATSS, in those areas where our interventions are likely to have a significant impact on consumers' economic welfare.
- Seek to work in partnership with business where possible to resolve and prevent competition and consumer problems, and to increase compliance with the law. We will work with business to increase effective self-regulation and to develop better enforcement solutions under self-regulation through the Consumer Codes Approval Scheme, and where other appropriate opportunities to do so arise. We will work to ensure that our relationship with and attitude towards business is better understood, making clearer the benefits of the OFT's work for fair-dealing businesses and the UK economy as a whole.
- Work with the CC and other regulators to ensure that the UK's competition and consumer regimes are as strong as possible, over both the short and long-term. We will continue to provide advice and guidance to, and liaise with, sectoral regulators in the UK via the Concurrency Working Party and other ongoing contact. We will also consider the opportunities and problems around concurrency across both consumer protection and competition issues, to improve co-ordination and sharing of knowledge between regulators. We will improve and strengthen our relationships with international counterparts, building on cross-border projects and initiatives to tackle international consumer problems such as mass-marketed scams.

- Continue to work with partners across government, including the devolved regions, to influence current developments in competition, consumer and regulatory policies and to promote the benefits of competition and markets amongst policymakers and stakeholders. For example, we will work closely with these key stakeholders on implementation of the Consumer Credit Directive, and the Consumer Acquis Review. We will also continue to work to ensure that government actions affecting markets do not unnecessarily or unduly distort competition, or restrict consumer choice.
- Work in partnership with a wide range of other organisations to inform and empower consumers to enable them to make informed decisions that are right for them, and also thus ensuring they can act as a positive stimulus to competition between businesses, and obtain better outcomes from markets. We will provide information, guidance and advice, especially via CD, to empower consumers to address competition and consumer problems themselves. We will also develop consumer skills through providing education help and resources, including via the Consumer Education Alliance.

Q5 - Do you agree with the OFT's proposed commitments for 2009-10 under this objective, as set out in paragraph 4.7? Are there any other issues or areas that you think should be covered in this section?

Objective 4: To develop the OFT as an organisation

Develop the skills and talent of the OFT staff to deliver high quality outcomes and add skills to the economy.

4.8 Under our CSR07 Performance Framework Agreement, the OFT has agreed to do the following:

- Identify the skills profiles required to deliver the OFT's strategic goals; actively shape the staff profile to match these. Publish annually information on the skills of existing staff and new joiners.

- Provide an environment that rewards talent, and with structures and culture that enable staff to develop as far and as fast as they are able.
- Monitor and report on the destination of staff leaving the OFT and use this information to inform work towards the achieving targets in the above two criteria.

4.9 Alongside the above, during 2009-10, the OFT will:

- Provide unique opportunities for new and existing staff to engage in high-impact work that makes a difference to the UK economy. We will capture information on why staff choose to join, stay with and leave the OFT, and use this information to inform decisions as to how we can improve as an organisation. We will establish principles and practices which will enable the organisation to be structured cost effectively and with the greatest opportunity for staff to perform effectively and with increasing degrees of autonomy.
- Work to develop career planning within the OFT, equipping staff with the information and direction to help them develop themselves. We will ensure that the OFT is consistent in the ways in which it values staff across the organisation, and that it is equally supportive of all staff.
- Work to develop the OFT's internal leadership across the organisation, through both individuals and the management structure and processes. We will further develop our leadership and management training across the OFT, and will work towards consistent, reliable management processes and behaviours that actively promote high standards of performance. We will continue to develop our abilities to set aligned goals, monitor and provide feedback to enable effective delivery of OFT objectives.

- Seek to improve our organisational learning, evaluating lessons from successful projects in terms of their internal as well as external effects. Where projects have been managed successfully, we will capture the reasons for this success and feed these into best practice across the OFT.
- Focus our learning and development activities on ensuring that the OFT has the correct set of skills and staff expertise across the full range of its functions. We will equip the OFT with the staff skills and processes to be able to adapt quickly to change, so that we can continue to deliver effective outcomes for consumers in changing external circumstances. We will learn the lessons of best practice from other organisations and use these to improve our own working practices.

Q6 - Do you agree with the OFT's proposed commitments for 2009-10 under this objective, as set out in paragraph 4.9? Are there any other issues or areas that you think should be covered in this section?

5 RESOURCES

- 5.1 2009-10 is the second year of a three-year HM Treasury (HMT) funding cycle covering the financial years 2008-09, 2009-10 and 2010-11. The OFT has committed to a 5 per cent efficiency saving year-on-year over the CSR period.
- 5.2 For the CSR07 period the OFT Settlement has been fixed at:
- 2008-09: £65.7 million
- 2009-10: £64.1 million
- 2010-11: £62.6 million
- 5.3 The OFT faces a very challenging financial environment. The OFT is committed to making efficiency savings - for example, through more effective utilisation of its estate - but it will continue to need to make hard choices on priorities in an environment where its operating capacity is likely to reduce. Our staffing strength is likely to decrease over the Spending Review period.
- 5.4 The prevailing economic situation also affects some key aspects of OFT's business. For example, we have been receiving lower volumes of Consumer Credit Licence applications, reducing our income.
- 5.5 We will be operating under difficult financial constraints over the next couple of years. We therefore need to ensure that we understand clearly the full costs and benefits of our work, to help prioritise what we do within those constraints.

ANNEXE(S)

A SUMMARY OF QUESTIONS

Key Themes for OFT in 2009-10

Q1 – Do you agree with the OFT's views on key themes for its work in 2009-10 as set out above?

Q2 – Are there any other key themes for 2009-10 that you think the OFT's Annual Plan should address?

Forthcoming Issues

Q3 – Do you agree with the OFT's proposed responses to the forthcoming issues set out above?

Performance Framework and Objectives

Q4 – Delivering High-Impact Outcomes: Do you agree with the OFT's proposed commitments for 2009-10 under this objective, as set out in paragraph 4.3? Are there any other issues or areas that you think should be covered in this section?

Q5 – Being a Centre of Excellence and Intelligence: Do you agree with the OFT's proposed commitments for 2009-10 under this objective, as set out in paragraph 4.5? Are there any other issues or areas that you think should be covered in this section?

Q6 – Working in Partnership: Do you agree with the OFT's proposed commitments for 2009-10 under this objective, as set out in paragraph 4.7? Are there any other issues or areas that you think should be covered in this section?

Q7 – Developing the OFT as an Organisation: Do you agree with the OFT's proposed commitments for 2009-10 under this objective, as set out in paragraph 4.9? Are there any other issues or areas that you think should be covered in this section?

B CONSULTATION CRITERIA

Public bodies are required to perform consultations in accordance with the following criteria wherever possible:

- B.1 **When to consult** – formal consultation should take place at a stage when there is scope to influence the policy outcome.
- B.2 **Duration of consultation exercises** – consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible.
- B.3 **Clarity of scope and impact** – consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals.
- B.4 **Accessibility of consultation exercises** – consultation exercises should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach.
- B.5 **The burden of consultation** – keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained.
- B.6 **Responsiveness of consultation exercises** – consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.
- B.7 **Capacity to consult** – officials running consultations should seek guidance in how to run effective consultation exercises and share what they have learned from the experience.
- B.8 The full *Code of Practice on Consultation* can be found on the website of the Department for Business, Enterprise and Regulatory Reform:
www.berr.gov.uk/files/file47158.pdf