

# The Office of Fair Trading Annual Plan 2003-04

Presented to Parliament in pursuance of section 3(3) of the Enterprise Act 2002  
Ordered by the House of Commons to be printed 30 June 2003

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# chairman's introduction

Much has changed at the Office of Fair Trading (the OFT) over the last few years – not least the establishment of the OFT Board and the requirement to publish, following public consultation, our priorities and objectives each year in an Annual Plan. This is the first such document.

The Annual Plan sets out how we will achieve our goal, which is to make markets work well for consumers. Our success is crucial to the Government's wider aims of bringing UK levels of competition, consumer empowerment and protection up to the level of the best<sup>1</sup> making an important contribution to raising the rate of UK productivity growth over the economic cycle and improving UK competitiveness.

To succeed we need effective working relationships with enforcement partners and other key players in the UK and internationally. To that end we will continue to work closely with Department of Trade and Industry (DTI), to ensure that the competition and consumer regimes work well. We will also work closely with our enforcement partners in the UK, including Trading Standards Departments and regulatory offices (OFGEM, OFCOM etc), and competition and consumer authorities in Europe, in particular the EC Commission, and worldwide.

The Competition Act 1998 and the introduction of new injunctive consumer powers changed our role and strengthened our powers. The Enterprise Act 2002 gives us a new corporate structure and enhances our independent role. It also provides new powers and responsibilities, which include:

- promoting better trading practices by self-regulation through approved Codes of Practice
- coordinating enforcement of consumer law
- a tougher approach to enforcement of competition law through director disqualification and criminal penalties for individuals involved in hard-core cartels
- responding to super-complaints from consumer bodies, and
- educating consumers.

In May 2004, we must be ready to undertake the direct application of European competition law following the EC's decision to decentralise more responsibility. There could well be future changes in EC consumer law – for example, the introduction of a general duty to trade fairly and a revised Directive regulating consumer credit.

<sup>1</sup>The Department of Trade and Industry has a Public Service Agreement target for 2003-06 to 'Place empowered consumers at the heart of an effective competition regime, bringing UK levels of competition, consumer empowerment and protection up to the level of the best by 2006, measuring the effectiveness of the regime by peer review and other evidence, to ensure a fair deal for consumers and business, working in collaboration with the relevant regulatory agencies.'

The Government also plans to reform the Consumer Credit Act 1974 and to introduce a nationwide consumer advice line – Consumer Direct. These are important ways in which competitive markets and safeguards for consumers should be further improved. We will work with DTI and other partners to maximise their potential.

To reflect the OFT's wider responsibilities and enhanced role, the Government has increased our budget from £33m in 2000-01, to £40m in 2001-02 and to £51m in 2002-03. Our budget for 2003-04 is £55m.

Against this background, it is even more important for the OFT to have a coherent strategy that delivers good value to consumers, business and tax-payers. Hence this Annual Plan, which has been formulated in the light of responses to our public consultation. We are most grateful to all who took part.

# values

Our actions will be characterised by **transparency**:

- we will consult on our Annual Plan
- we will explain our rationale for what we do and how we set priorities
- we will set clear and measurable objectives
- we will report on progress in our Annual Report
- we will explain and publicise our decisions
- we will publish guidance on how we intend to use our powers
- we make available on our website minutes of Board meetings.

We are **accountable** to the public through Parliamentary scrutiny both in Westminster and the devolved administrations e.g. through investigations by Select Committees. We must also account for our use of resources in our Annual Accounts, which are audited by the National Audit Office. Our decisions under competition law are subject to appeal by the specialist Competition Appeal Tribunal which provides a full re-hearing. The Competition Appeal Tribunal may also review our decisions in relation to merger and market investigation reference decisions on normal judicial review principles. Our licensing decisions under the Consumer Credit Act are subject to appeal heard by an independent panel. We enforce consumer law through the courts and our actions here can be appealed.

We will be **consistent** in our use of the powers given to us by legislation, in our approach to enforcement (when, where and how to intervene) and in our responses to complaints.

Our investigations, processes and decisions will be

**proportionate** to the detriment that we seek to remedy.

They will be characterised by a **fair** and **objective** approach, **clear analysis** and **considered judgement**. When deciding on enforcement intervention we will adopt the following principles:

- action is necessary and proportionate, as set out in the Enforcement Concordat, and where there is evidence of a breach of the relevant consumer or competition law and/or of actual or potential harm stemming from the breach
- businesses will normally be given reasonable opportunity to put matters right if this is possible
- wherever possible and permitted by law, court action will normally only be taken after undertakings have been sought
- where relevant, proceedings will be brought by the most appropriate body
  - with proper regard for other statutory regulatory means and for non-statutory mechanisms, and
  - in the case of consumer protection enforcement, with regard to the application of the Home Authority Principle.

- we will seek to ensure that any action is coordinated so that the business concerned is not subjected to unnecessary multiple approaches, and
- in line with the OFT's standard approach to putting information into the public domain, publicity on cases will be accurate, balanced and fair.

Our actions will be characterised by **independence**, while at the same time taking account of views expressed to us.

We will act in a **professional** manner in all our dealings with outside parties. We will improve our skills levels and review our actions in order to learn lessons for the future.

We are committed to providing a high quality, accessible and responsive service to businesses and the public. Listening to and acting on feedback, whether positive or negative, on how we have provided a service is vital in helping us review, refine and improve our performance.

We will provide a well-publicised, transparent, effective and timely procedure, easily accessible to business and the public, to deal with complaints about the way we have provided a service. In instances where complaints cannot be resolved on the spot, details of the complaints procedure and the likely time-scales involved will be provided. Complaints about any decision we have made should be addressed using the separate legal process provided.

# goals and rationale

The Board endorses the OFT's present goal, which is to make markets work well for consumers. Markets work well when fair-dealing businesses are in open and vigorous competition with each other for custom. When there is effective competition and consumers understand what they are buying and are not misled by deceptive or unfair practices, they have genuine power of choice. Markets which work well for consumers also work well for fair-dealing, competitive businesses.

Maintaining competitive and fair markets and empowering consumers are the main planks that underpin our strategy.

The OFT achieves its objectives through enforcement of competition and consumer legislation, market studies and communication. These activities are often complementary. For example, a market study can uncover the need for enforcement action; and successful enforcement action needs to be well publicised to maximise deterrence. But at the margins, choices between these activities can be made. For example, we could choose to mount more campaigns informing consumers about how to avoid specific problems, and take less enforcement action for their collective benefit when the problems have arisen.

## **Prevention or cure?**

Enforcement of competition and consumer legislation deals with problems after they have occurred. However, enforcement also has an important deterrent effect and is essential to maintaining competitive markets and protecting consumers.

If consumers know how to recognise rogue traders, know their rights and how to exercise them, if companies raise the level of fairness of trading practices and if markets are kept open and competitive, there should be less need for enforcement. This suggests that we should do more to empower consumers through advice and publicity campaigns, put more effort into consumer education, work urgently with DTI to reform the system for licensing consumer credit, put more resources into encouraging self-regulation and do even more to ensure that businesses understand competition and consumer law.

Our approach combines both prevention and cure, focussing on what best delivers the desired outcomes, including influencing business and consumer behaviour. In terms of resource allocation, for the first year of the planning period we propose keeping the present broad balance between enforcement, market studies and communication.

# intervening in markets

We intervene in markets to ensure open and vigorous competition between fair-dealing businesses, to the benefit of consumers. The means by which we may choose to intervene depends on the circumstances of the matter under consideration:

- if there is, or we suspect there is, an infringement of competition or consumer protection law, we will consider the use of our enforcement powers. For example, if we have reasonable grounds for suspecting an infringement of competition law, we may use our formal powers of investigation under the Competition Act
- where urgent action is necessary, we may seek injunctions or take interim measures to stop businesses engaging in unfair trading practices or order that offending agreements or anti-competitive behaviour be stopped
- we may launch a market study where it appears that a particular market is not working well for consumers, but where enforcement action does not appear to be the appropriate response
- we will use publicity campaigns and other means of communication to empower consumers and we will inform and educate consumers and businesses on their rights and responsibilities under competition and consumer laws
- we will also appropriately publicise successful enforcement action to maximise the deterrent effect.

Our primary focus is on UK markets and local markets within the UK. We do, however, have obligations under EC law and cross-border powers to enforce certain consumer protection laws within the European Economic Area (EEA) that may lead us to take action on matters arising in markets outside the UK.

Our resources are finite and we want to maximise their impact. Where we can choose what we do, we will therefore act where we believe that we can make the most difference. This means making tough choices about the cases on which we will take enforcement action, where and when we study markets, and how much we spend advising and informing consumers on how to get the best deal and what their rights are when things go wrong.

Our enforcement, market studies and communication teams will work closely together to ensure that action taken by the OFT is that which is most likely to tackle effectively the competition and consumer concerns identified.

While much of the OFT's work will remain complaint driven, we will continue to develop the more proactive approach adopted in our market studies and communication strategies. We have discretion in many areas as to how we can best achieve our objectives. We also have certain duties. In particular, we must run the statutory merger control system (in conjunction with the Competition Commission) and we are required to license those active in the consumer credit market. These are important ways in which competitive markets are safeguarded and trading practices regulated. It is important that they are efficiently carried out and resourced.

## intervening in markets

### Enforcement

Enforcement entails using our powers under competition and consumer protection legislation to deal with anti-competitive and unfair trading practices, keeping markets open and competitive through merger control, ensuring that only fit persons hold a consumer credit licence or are permitted to act as an estate agent, and raising trading practices through self-regulation.

In deciding where, when and how to intervene through enforcement, we will consider:

- the nature and seriousness of the problem (for example, we will always act, where we uncover strong and compelling evidence of significant price fixing, in competition cases where we are asked to help by the European Commission, in all mergers that we believe may substantially lessen competition, and in cases which our trading standards partners demonstrate are of national significance)
- the relative importance of the matters complained about (for example, the value of the market or the number of consumers affected)
- the wider effect (for example, the likelihood that it will end a damaging practice, have a significant deterrent effect, establish a useful legal precedent (particularly where the law is new or evolving), or remove a repeat offending rogue trader)
- the need to act promptly and decisively in serious cases

- whether enforcement is the most effective means of achieving the outcome, and
- whether the OFT is the body best placed to act.

Our work will also include developing and issuing guidance designed to improve compliance with the law and trading practice and ease enforcement activity where malpractice persists.

With regard to cross-border cases, we will work with counterparts, wherever possible, and give priority to cases where detriment to UK consumers is demonstrable and significant.

### Market studies

In addition to conducting market studies, our activities in this area include giving policy advice and information gathering. We will continue to develop our contacts and relationships with stakeholders over the next year.

In deciding whether to intervene through market studies, we will consider:

- the scale and significance of the possible problems/consumer detriment
- whether the likely benefits from a study justify the possible cost and disruption to businesses
- the prospect of obtaining evidence and finding remedies

- whether OFT is the most appropriate body, and
- whether a study is preferable to enforcement action or a market investigation reference to the Competition Commission (CC).

References will be made to the CC where the statutory tests have been met and the CC appears best placed to remedy potential concerns should these be proven to be a problem.

The OFT will consult on its approach and procedures for market studies in due course. Our market studies will be characterised by a fair and objective approach, rigorous analysis and considered judgement.

We expect to receive some super-complaints from designated consumer bodies once the DTI has designated consumer bodies to make them – under section 11 of the Enterprise Act. In seeking further candidates for possible market studies, we will aim for a balance between those looking at: the impact of regulations on particular markets; issues affecting business to business markets; and markets where consumers appear to face significant problems.

### **Communications**

We will empower consumers through campaigns, advice and education and inform consumers and business about their rights and responsibilities under competition and

consumer laws, and give law-abiding businesses the opportunity to complain about the anti-competitive behaviour of others.

In deciding what publicity campaigns, guidance, advice and education to provide, we propose taking into account the following:

- empowering consumers by competition and information to get the best from the market place
- publicising, whenever possible, successful enforcement action to highlight the effectiveness of laws where the OFT has responsibilities, to encourage complaints about breaches of the law, and to encourage businesses to comply with the law and consumers to avoid detriment
- effectively targeting information/educational material to sectors that are in particular need of information, such as SMEs (small and medium sized enterprises) and vulnerable consumers – in accessible and appropriate language for the audience
- ensuring publicity campaigns are directed at key areas of consumer detriment and their impact monitored, to inform future activities, and business information campaigns are directed to maximise compliance with the law
- measuring publicity/media coverage for stages/outcomes of campaigns and market studies
- ensuring effective, working co-operation/partnership with consumer and business organisations on information and education delivery, and
- maximising opportunities for publicity in all parts of the UK.

# key objectives

It is difficult, if not impossible, to measure with any accuracy the direct impact of the OFT's activities on markets.

It is important to identify key objectives, however, for the planning period as well as for the year ahead, which will contribute to the achievement of our goal of making markets work well for consumers.

The goal of making markets work well for consumers is something for which we continuously strive as markets evolve over time. The OFT's contribution to this goal needs to be planned and assessed over a longer period than one year. We propose, therefore, to set each Annual Plan in the context of a rolling three year planning period. We are mindful that we cannot commit the Government to expenditure levels beyond the current Spending Review period, which runs until 31 March 2006. This means that our longer-term objectives may need to be revised in the light of actual funding decisions.

By the end of the planning period we aim to make demonstrable progress on the following objectives:

- consumers judge that markets deliver more and better choices in terms of goods and services
- consumers and businesses judge that market abuses have been addressed
- businesses judge that barriers to fair and open competition are being addressed

- consumers and businesses have a better understanding of their rights and obligations under competition and consumer protection law, and
- stakeholders judge that we operate in accordance with our values.

We also aim to:

- maintain our position among Global Competition Review's top international jurisdictions, and
- develop criteria for benchmarking our performance against international competition and consumer authorities.

Where relevant, we will measure our success through annual surveys of consumers and businesses and will devise qualitative surveys to measure consumer and business judgements on our progress.

For 2003-04 our main objectives and supporting targets are set out in the annex.

We will review progress in our Annual Report for 2003-04. The lessons learned will inform the second Annual Plan, which we will issue for consultation around the turn of the year.

# risk management

The OFT's approach to risk management is based on assessing risks that might impact adversely on our goal of making markets work well for consumers, and acting on opportunities to advance that goal.

Risk is managed at all levels throughout the OFT. At Board level, key corporate risks are kept under review, opportunities are identified and the adequacy of risk management controls is assessed. Responsibility for risk management is cascaded throughout OFT, with managers and individual members of staff taking responsibility for managing specific risks which could affect the achievement of their objectives and targets, and for identifying opportunities which would enhance those objectives and targets.

We provide a coherent framework for assessing risks by mapping them according to six 'risk themes', which are underpinned by a register of corporate level risks. During the course of the year we will develop supporting registers of operational-level risks for each of our key objectives. We will also introduce a risk management development programme.

The corporate governance theme encompasses a range of risks associated with managing our relationships with stakeholders; establishing and delivering clear goals, objectives and targets; establishing measures of success; managing the move to the new corporate governance structure, our resources and risk itself.

The legislation theme encompasses risks associated with making effective use of our legislative powers and our legal obligations as an employer. The information theme encompasses risks associated with properly communicating our goals, objectives and targets; making the best use of available knowledge and information; and the need to secure sensitive information.

The human resources theme encompasses risks associated with recruiting, retaining and developing staff (including the loss of key staff) and managing performance. The working environment theme encompasses risks associated with planning for the growth in staff numbers, the possible failure of key IT systems, and business recovery in the event of a major incident.

Finally, the propriety theme encompasses risks associated with improper behaviour by Board members or staff.

# resource allocation

We propose to allocate resources in 2003-04 as follows:

## Enforcement

Enforcing competition law (other than the merger regime)	£17.9m
Keeping markets open and competitive through merger control	£2.8m
Enforcing consumer law	£9.3m
Running the consumer credit licensing system	£5.0m
Raising trading practices through self-regulation	£3.7m

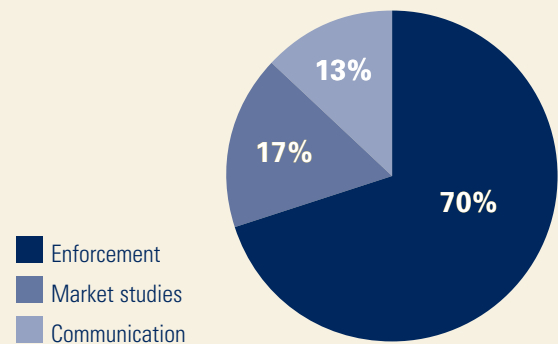
## Market studies

Carrying out market studies	£6.3m
Policy advice and information gathering	£2.8m

## Communications

Empowering consumers through campaigns, advice and education	£5.1m
Informing business about competition and consumer laws	£1.9m

OFT funding allocation 2003-04



# further information

More information about the Office of Fair Trading and our work can be found on our website at [www.offt.gov.uk](http://www.offt.gov.uk), in the latest annual report and in our publication *A Guide to the OFT* which can be ordered by telephoning 0870 60 60 321.

# annexe: objectives and deliverables for 2003-04

## Objective 1

We will actively enforce consumer protection legislation, coordinated with other qualified enforcement bodies, to deal with unfair trading practices and seek to ensure that only fit persons hold a consumer credit licence or act as an estate agent.

*Direct budget £8.2m<sup>2</sup>*

### Deliverables

Using the Unfair Terms in Consumer Contracts Regulations, the Distance Selling Regulations, the Control of Misleading Advertisement Regulations and the Enterprise Act Part 8:

- we expect to investigate between 1,500 and 2,000 cases of which, based on past experience, we expect to find breaches of law in between 250 and 300 cases. We will deal with these by consulting with traders with a view to obtaining satisfactory undertakings; by taking court action where traders fail to provide satisfactory undertakings or where immediate action is needed; and by giving advice to achieve compliance, working with the home authority trading standards department as appropriate.

Using our powers under the Consumer Credit Act 1974 and the Estate Agents Act 1979:

- we expect to carry out initial checks of between 29,000 and 31,000 consumer credit licences on new application and renewal, to investigate the fitness of between 350 and 400 consumer credit applicants or licence holders and between 70 and 90 estate agents. We expect to resolve the majority of these cases through advisory or warning letters. Formal action to revoke or refuse may be necessary in 130 to 150 consumer credit licences and to warn or ban between 15 and 20 estate agents
- we will publish in final or draft form consumer credit licensing guidance and conduct compliance reviews for three business sectors or activities
- we will tighten up checks on previous criminal records for those applying for consumer credit licences
- we will complete and publish the outcome of the review of the consumer credit group licensing regime
- we will respond to all requests from DTI and the Treasury for quick advice on proposed changes to the Consumer Credit Act, giving detailed advice where needed.

<sup>2</sup>The total of the budgets in the resource allocation section is £10m higher than the total of the budgets in this section. This is because the resource allocation section includes the Secretariat budget, the reserve (Litigation and General) and the capital budget which are allocated pro-rata. The budgets for objectives 9 and 10 in this section are also allocated pro-rata.

## annexe: objectives and deliverables for 2003-04

Using our cross-border enforcement powers and coordinating with other enforcement bodies overseas:

- we expect to investigate between 25 and 35 cross-border cases within the EEA where there are reasonable grounds to believe there is an infringement causing UK consumers significant economic detriment. We expect to obtain between five and ten written undertakings from traders in other member states to cease infringements on such cases, and refer between two and five such cases to the relevant court where undertakings cannot be obtained or are otherwise inappropriate. We expect to achieve compliance on five to ten cases by referral to EU counterpart enforcers or other stakeholders, and to pass between five and ten cases, with structured evidence, to non-EU enforcement partners, with a view to them taking substantive action to stop detriment to UK consumers
- we expect to formalise arrangements with postal service providers to rescind contracts with traders sending unsolicited prize draws and lotteries using UK PO Box numbers.

On communication and information:

- we will issue between four and six guidance publications for business and consumers on the application of the Unfair Terms in Consumer Contracts Regulations, the Distance Selling Regulations, the Control of Misleading Advertisement Regulations and the Enterprise Act Part 8 and we will develop and finalise information sharing matrices for use with overseas counterparts, and ancillary internal protocols
- we will coordinate and facilitate the Annual ICPEN Internet sweep with UK and international enforcers, and publicise the results of enforcement action taken.

## Objective 2

We will raise trading practices through self-regulation.

*Direct budget £2.1m*

### Deliverables

We will:

- assess all Codes of Practice submitted by sponsors in the original priority sectors against the core criteria to Stage One level
- encourage Stage One sponsors to provide sufficient and appropriate evidence for their codes to achieve OFT Approval
- expand the Codes Approval Scheme to include sectors outside the original priority sectors
- evaluate the policy regarding applications from organisations other than trade associations
- launch the Consumer Codes Approval Scheme nationally to consumers in February 2004, followed by a programme of regional launches and events during 2004-05.

## Objective 3

We will use our powers actively under competition legislation to deal with anti-competitive practices.

*Direct budget £10.3m*

### Deliverables

- using the Competition Act powers we expect:
  - to investigate between 45 and 65 cases where there are reasonable grounds to suspect an infringement of the prohibition(s)
  - to make between five and ten reasoned, published infringement decisions
  - to publish between 20 and 30 other case closures of which five to ten cases will involve informal resolution of potential competition issues by the parties
- we will investigate carefully – together with the Serious Fraud Office (and the Crown Office in Scotland) – potential criminal cartel offences
- we will use OFT's powers under sector-specific competition regimes to investigate carefully those schemes, rules and practices that raise potential competition issues, and take prompt action where significant anti-competitive effects are found
- we will develop sound procedures and guidance to implement the decentralisation of EC competition law working with members of the new European Competition Network. We will ensure, together with DTI, that the UK competition regime is fully convergent with the new European system.

## Objective 4

We will keep markets open and competitive through merger control.

*Direct budget £1.6m*

### Deliverables

We will:

- make references to the Competition Commission or accept undertakings in lieu in all mergers which we believe may substantially lessen competition
  - we expect to consider between 180 and 230 public mergers
  - of these we expect 30 to 50 to raise more complex issues and hence to be considered by a case review meeting
  - based on experience, we expect to refer to the Competition Commission or accept undertakings in lieu of reference for between 10 and 20 mergers
- seek sound reform of the European Community Merger Regime.

## Objective 5

We will study markets proactively to see whether they are working well for consumers and refer markets to the Competition Commission for investigation where appropriate.

*Direct budget £3.6m*

### Deliverables

We will:

- develop a framework for identifying areas for market studies to be carried out. This will be published as part of the market study guidance
- initiate up to seven market studies, at least two of which will look at the effects on markets of Government regulations
- complete our ongoing studies into payment systems, estate agencies, taxi licensing, doorstep selling, debt consolidation, and liability insurance
- prioritise reviews of existing CC undertakings to determine whether they remain necessary or they should be changed or removed.

### Objective 6

We will provide information to the public, gather information on markets from a variety of external stakeholders (other Government departments (OGDs), devolved administrations, major PLCs, trade bodies, consumer organisations, members of the public) and produce market intelligence for the market studies teams, enforcement teams, and the Board.

*Direct budget £0.4m*

#### Deliverables

We will:

- provide a source of information to the public and gather intelligence for referral to enforcement divisions and Markets and Policy Initiatives Division
- improve the speed and effectiveness with which we handle public enquiries
- further develop relationships with stakeholders via a National Liaison Strategy, by initially taking on board opinion-formers in the business and consumer communities and the devolved administrations
- in conjunction with colleagues in the enforcement divisions, lead a programme to gather and analyse information on international issues of relevance to the OFT.

### Objective 7

We will assist the shaping of policy in order to facilitate competitive markets and to maintain and develop consumer protection.

*Direct budget £1.6m*

#### Deliverables

We will:

- promote continuing improvement in quality of OGD competition assessments by scrutinising Regulatory Impact Assessments, provide drafting advice and educate OGDs on assessing competition impacts
- coordinate input into new legislation that directly impacts on OFT enforcement activity
- provide both proactive and reactive advice on wider policy initiatives
- liaise with stakeholders, domestically and internationally, in order to advise on new policy initiatives and impact on the legislative and regulatory debate.

## Objective 8

We will empower consumers through campaigns, advice and education and inform consumers and business about their rights and responsibilities under competition and consumer laws, giving law-abiding businesses the opportunity to complain about the anti-competitive behaviour of others.

*Direct budget £3.6m*

### Deliverables

We will:

- run a programme of eight regional roadshows across the UK
- run specific, targeted awareness campaigns and other publicity activities including
  - credit issues campaign/new series of credit advice booklets for consumers
  - Distance Selling Regulations information campaign for business
  - championing competition campaign for consumers
  - a campaign to assist consumers in choosing a dentist
- begin our consumer education programme. We are consulting on our strategy with stakeholder organisations.

We propose:

- setting up a national strategic group (with public and private sector members) to coordinate consumer education
- creating a shared pool of information, and
- bringing together and disseminating research to interested parties
- establish baseline data for annual surveys of consumers and businesses.

## Objective 9

We will recruit and develop high-calibre, qualified and well-trained staff; we will encourage a working environment more aligned to the delivery of OFT objectives by developing more effective human resource strategies and practices.

*Direct budget £2.2m*

### Deliverables

We will:

- review our performance management system and the link with pay and, where appropriate, propose changes to the Board
- review the structure and levels of our pay ranges and, where appropriate, propose changes to the Board, and
- develop and introduce system for evaluating the costs and benefits of learning and development activity.

## annexe: objectives and deliverables for 2003-04

### Objective 10

We will improve our planning and financial management systems; obtain better value for money in all areas of expenditure; and make best use of our physical and information resources to meet the needs of the OFT.

*Direct budget £11.2m<sup>3</sup>*

#### Deliverables

We will:

- introduce more robust procurement policies and procedures
- develop our use of the functionality of our financial systems and processes
- continue to improve our management reporting packages
- implement the roll-out of open plan and supporting IT infrastructure throughout Fleetbank House
- achieve BS7799 compliance for key information systems
- begin the process for introducing an Electronic Records Management system office-wide, and
- develop and implement a formal IT asset replacement policy.

<sup>3</sup>Includes fixed costs such as rental payments on Fleetbank House and Craven House.

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This information is available in other formats and languages on request. Please ring 0870 60 60 321.

Published by the Office of Fair Trading. Printed in the UK on paper containing 50% recycled pulp (25% of which is post consumer waste) and 50% TCF pulp.

Product code OFT663. Edition 06/03. Printed 06/03/22,000  
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