

**Minutes of the Office of Fair Trading Board Meeting**

**Thursday 8 January 2009**

**Present:**

Philip Collins (Chairman)  
John Fingleton (CEO)  
Lord Blackwell  
Vivienne Dews  
Frédéric Jenny  
Alan Giles  
James Hart  
Tony Lea  
Philip Marsden  
Jonathan May  
Richard Whish

**OFT Staff:**

Claire Craig (Items 2 to 5)  
Barney Wyld  
Heather Clayton (Items 5, 6 and 7)  
Amelia Fletcher, Tony Donaldson, Chris Jenkins and Fiammetta Gordon (Item 3)  
David Stallibrass, Carmen Suarez (Item 4)  
Mike Coates, Nicky Brown (Item 5)  
Peter Lukacs (Item 6)  
Robert MacDougall (Item 7)

**Executive Office:**

Jennifer Halliday (acting Board Secretary)  
Erik Wilson

**Item 1: Minutes of the Board meeting (4 December) OFT (08) 11<sup>th</sup> minutes**

The Board approved the private and full minutes of the last meeting.

**Item 2: ExCo oral and written report to the Board**

The Board continued to be broadly content with the way the written report was developing. It suggested that the number and type of risks identified and the way they are presented could be rationalised and that the risk summary information and presentation would benefit from another look to see whether all information was needed and the best way to represent the most up to date risks. Any more detailed comments should be fed in to Claire Craig and Erik Wilson directly.

The Board asked about the scope of the activity on one case which was explained and it was confirmed that HR data would be contained in the regular quarterly report in February, rather than in the monthly report.

## **CEO**

### Casework

The Board were updated on a number of case issues.

### Meetings with Ministers

- In December John Fingleton had meetings with Lord Mandelson, Secretary of State for Business Enterprise and Regulatory Reform (BERR), Lord Carter, Minister for Communications Technology and Broadcasting and Gareth Thomas Minister for Development and Consumer Affairs and discussed the work of the OFT and consumer and competition issues.

### Advocacy speech by CEO

The Board noted the CEO is to give a speech with the working title 'Competition Policy in Troubled Times'. This draft will be circulated to the Board members for their comments.

## **Executive Director, Markets & Projects and Policy & Strategy**

### Personal current accounts work

- The Board received a paper updating it on the banks test case and progress being made in the market study. The Board will be kept updated.

### OFT/Competition Commission (CC)

- Market Investigation Reference Ideas day on 16 December attended by the CC, HMT and BERR representatives, chaired by Amelia Fletcher, went well. We will be considering the best way to take outputs of ideas-day forward. The Board noted the need to assess the way topics are chosen and the need to ensure that the choices made were set in context.
- Going forward there will be monthly working groups with the CC.
- The next OFT Board/CC Council meeting will be held in February.

### NAO report

- Expected to be published shortly.

### White Paper on Digital Britain

- The White Paper on Digital Britain is expected soon. The Board will be kept updated.

## Hooper Report on Royal Mail

- The publication of the Hooper report on Royal Mail contained some indications that there may be a move towards expanding Ofcom's remit to include not only postal services but other 'new economy' sectors. The Board will be kept updated.

## Litigation (in absence of General Counsel)

- The Board were updated on a number of cases.

## **Executive Director, Corporate Services**

### OFT finance issues

- Financial Secretary to the Treasury has agreed that the OFT should recover VAT on Consumer Direct (CD).
- A Government department continues to be interested in sub-letting first floor of Fleetbank House but it is waiting to see whether it can remain in its current premises.

### Consumer Credit Licensing Fees

- The Board received a paper on credit license fees.

## **Director, Communications**

- We will be launching an E Newsletter later in January; it will issue bi-monthly. It will be along the lines of the updates Board members already receive but will be more comprehensive and be circulated to a wider audience.
- Scams awareness month will launch at the beginning of February; the OFT will host a Parliamentary reception on the evening of 3 February, all MPs and Trading Standards Services will be invited. Board members are invited to attend.

## **Chairman**

- Along with the Executive Director Markets & Projects and Policy & Strategy, the Chairman met with Lord Mogg Chair of Ofgem to discuss the work of the OFT and Ofgem.

### **Item 3:**     Discussion on (a) Competition Advocacy and (b) Evaluation Strategy

The Board received short presentations on OFT work in these areas and was asked for its views on the overarching principles and forward work plans.

**(a) Competition Advocacy**

The Board noted the importance of a public voice to champion competition but to ensure that our messages are framed in terms of how the OFT can help with approaches and provide practical guidance to government and business.

**(b) Evaluation**

The Board commented on the quality and innovation of OFT work in this area, especially in relation to the progress of other competition authorities. It supported embedding evaluation into projects and the intellectual honesty of publishing reports, even when they were unfavourable.

The Board agreed the overall strategies outlined subject to the views expressed at the meeting.

**Item 4: Strategy Development: follow-up to 16 September 2008**

The Board received a presentation from the Strategy Group updating on progress following the half-day discussion in September on the strategic questions upon which the Board believes the OFT should focus.

The Board agreed, subject to the discussion, with what was proposed.

**Item 5: OFT's relationship with Local Authority Trading Standards Services (LATSS)**

The Board received a comprehensive paper which:

- took stock of the full range of contacts;
- provided background for future proposals and Board discussions in areas such as Consumer Direct, Consumer Protection Group, and Communications;
- noted that engagement with LATSS is an important part of the OFT's wider positioning in the consumer landscape, and,
- noted the associated risks.

The team explained the fact that LATSS is essential for much of OFT's operational work, and are an important part of our positioning in the consumer protection landscape. The team confirmed there would continue to be regular meetings with different groups to ensure the interface with LATSS is intelligently and productively managed. They are working closely with others across the OFT to develop more systematic themes and messages for meetings between OFT and LATSS; the team will also be liaising with Consumer Direct to ensure appropriate messages are conveyed.

The Board supported the proposed approach.

**Item 6: Scottish Property Managing Agents**

The Board received a presentation of the conclusions of a market study and the associated risks.

**Item 7 Transparency Project**

The Board received an update on the transparency project (the initial drivers for which being the stakeholder audit and the NAO report) in order to solicit views before the publication of an emerging thinking document scheduled for the spring. The presentation covered what is meant by transparency at the OFT, stakeholder engagement on the project so far, our emerging thinking on the issues raised and next steps.

The Board welcomed the work and the openness is it designed to ensure. The team explained that although we had no obligation to consult, we have committed to do so as we view it as the right thing to do; it allows us to refine our thinking; expose certain things in public and to get buy-in. The Board noted that the consultation exercise does not mean that the OFT are not already actioning some of the recommendations.

The Board was content for the work to progress as outlined and noted the associated risks.

**Item 8 Board Away-day 2009**

The Board received a paper outlining the proposed structure and content of the Board away-day scheduled for April 2009. The sessions will be facilitated by Claire Craig (Senior Director Strategy and Planning) and David Leech (Director of Organisational Development). The Board will also spend some time at the event discussing the working of the Board as a team

**Item 9 Any other business and future agenda items**

- The Chairman will be holding his annual one-to-ones with non-executive Board members in February and March.

Jennifer Halliday  
**(Acting) Board Secretary**  
**9 January 2009**