

Minutes of the Office of Fair Trading Board Meeting

Thursday 11 June 2009

Present:
Philip Collins (Chairman)

Apologies: Frédéric Jenny
Erik Wilson

John Fingleton (CEO)
Lord Blackwell
Vivienne Dews
Alan Giles
James Hart
Tony Lea
Philip Marsden
Jonathan May

OFT Staff:

Barney Wyld
Claire Craig
Frances Barr
Heather Clayton, Cavendish Elithorn, Ali Nikpay, Colin Brown, Barbara Hughes (Item 2)
Stephen Blake, Christiane Kent, Ali Nikpay (Item 3)
David Leech, Carmel Flatley (Item 4)

Executive Office:

Jennifer Halliday
Carissa Roberts

Item 1: ExCo oral and written report to the Board

CEO

International Competition Network

The annual conference was held in Zurich last week and the OFT was well represented in leadership roles (chairing the market studies and future work sessions and participating in the panels on cartels and mergers) and John Fingleton was elected chair of the ICN Steering Group for the next two years.

Digital Britain Report: Review of Local Media Merger Regime

The OFT full Report will be published next week at the same time as the Digital Britain Report.

Meetings with external stakeholders

The CEO and Chairman updated the Board on their recent meetings.

Executive Director, Markets & Projects and Policy & Strategy

Contract Rights Renewal

This has been referred to the Competition Commission (CC) following the consultation as a result of which some slight changes had been made.

Executive Director, Corporate Services

Consumer Direct (CD)

Stage I (the 'interim' stage) of the two-stage process to re-let contracts is underway.

An evaluation of the impact of CD on consumers (benefits vs. costs) has shown an increase from 6:1 in 2007-8 to 9:1 in 2008-9. This is primarily due to the fact that CD costs have gone down.

Investors in People (IIP)

A hard copy of the IIP Report was tabled, explaining that the OFT has moved from being in 'retention' of IIP status and is now officially re-recognised. An action plan is being developed to maintain the status. The Board congratulated the Executive on the achievement of IIP status.

Internal Audit

This is progressing well. The Statement on internal control still outstanding from Chiene and Taite. Letters will be sent to Board members shortly regarding pensions and remuneration.

Chairman

The Chairman had attended the OECD Competition Committee meetings in Paris last week. There had been interest from the OECD secretariat to consider how OECD and ICN can work better together, for instance in relation to outreach activities.

General Counsel

Personal Current Accounts test case

Documents have been filed and the date for the appeal to the House of Lords has been set for 23-25 June.

Freedom of Information Act

Internal procedures have been changed to improve the process. In addition, more guidance has been drafted, know-how sessions are being held and compulsory desk-top training is being rolled out. The Board was informed of the increase in FoIA requests: 171 requests had been made so far this year compared to 126 over the same period last year. This increase reflects a general trend across government. There have been eight requests for internal review since August. The Board requested that a record is kept of the cost to the OFT

of dealing with FOIA requests.

Director Communications

The creation of the new Department for Business, Innovation and Skills (BIS) was noted.

Comments on the Executive Report

The Board noted the report.

Item 2 Topical Issues

Forthcoming Papers

The Board was updated on the timing and draft content of the Consumer White Paper and the Treasury Paper

Item 3: Case Update

The Board was updated on a current investigation.

Item 4: Presentation by ExCo on Corporate Projects

The CEO, the Executive Directors of Corporate Services and Markets & Projects and Policy & Strategy delivered a presentation to the rest of the Board on the issues, thinking and progress so far on the three 'corporate projects' they will be leading this year. These are:

- (i) Culture and talent (CEO)
- (ii) Consumer functions (Vivienne Dews)
- (iii) Agility and delivery (Jonathan May).

The CEO explained the heritage of these projects. The choice of these topics reflects the OFT's development to date, its response to its changing environment and its desired future direction as an organisation. The topics and their contents are also informed by the Board and SET away-days in April and May respectively. Some aspects of these projects will be delivered by SET members although they will all be lead by an ExCo member.

The Board discussed how this and other initiatives fit together and Board members inputted their views, ideas and outlined their experience. The Board supported the initiatives and will receive regular reports from ExCo on their delivery.

Item 5: Minutes of the Board meeting (7 May) OFT (09) 5th minutes and below-the-line items

The Board approved the private and public minutes of the last meeting subject to minor amendments.

Item 6: Any other business

- Two Board members have sent apologies for the July meeting. The Chairman invited any views they have on the papers to be sent to him directly.
- Two additional full-day meetings are needed in October and November. Executive Office will be e mailing shortly regarding dates and availability.
- Barney Wyld, the Communications Director will prepare and submit a summary of the stakeholder audit of 2008, to refresh the Board's memory on what the OFT's 'customers' said about us.

Jennifer Halliday
Board Secretary
12 June 2009