

Promoting Competition | for consumers, business and the economy

Welcome

A busy agenda makes the time fly, and we're already coming up fast on 2015. We've now published our Annual Plan for the next financial year for consultation, whilst continuing to deliver at pace on the priorities we set ourselves for the current year.



Annual Plan and Strategic Assessment

Our [draft Annual Plan](#), published alongside our new [Strategic Assessment](#), gives us an ambitious set of priorities and proposals for next year based on an informed understanding of the risks and opportunities facing consumers and markets. Key themes identified include online markets and the digital economy, markets for public services, and markets with a potentially significant effect on overall economic growth. We're very grateful to everyone who contributed to the Strategic Assessment, which incorporates the views and evidence of a very wide range of partners and interested bodies. It's already feeding into our thinking about potential new work, and we hope it will inform the work of others too.

Much of our focus for next year will be around completing the range of work we've begun since taking on our powers. We'll also be looking to open up a further new set of cases and projects, building a bigger portfolio of impactful work. And we've set out a range of other important proposed initiatives in the Plan too – for instance, a progressive review of existing remedies left in place by previous investigations. We're also delighted to be chairing the International Consumer Protection Enforcement Network next year. We look forward to hearing what people think of our plans.

Banking and other markets

Following our final decision to refer [personal and small and medium business banking](#) for a full market investigation at the start of November, our independent Group of Panel Members is up and running and starting to gather evidence. We expect to publish a final report on the market in May 2016, with provisional findings in September 2015. This might appear a long way off –

but there's a huge amount of work to do in the meantime, and we know how important it is for consumers, business and the economy that we come to the right conclusions.

I set out some thoughts about the role of competition in banking markets and the need for the CMA's retail banking market investigation [when I spoke at the British Bankers' Association conference](#) on 4 December.

Meanwhile the independent [Market Investigation Group on energy](#) continues its work. Having conducted a programme of site visits up and down the country, it has now initiated formal hearings with a range of industry participants and interested parties.

Last week, we completed our study of [the market for residential property management](#). Whilst this market is working well for many people, others have experienced real problems that have significant impact on their lives – such as high charges, poor service and unexpected costs. We're recommending better information, more transparency, better access to redress and some changes to legislation, in order to ensure that the market works well for more leaseholders.

In early 2015, the Group that has been examining the payday loans market will deliver their final report.

Enforcement and Compliance

In our Annual Plan for this year, we described how effective enforcement is central to our purpose as an organisation, and said we intended to open at least four new Competition Act investigations where the evidence supported doing so. We've already achieved this – we currently have 10 such cases in our portfolio, along with four open criminal cartel investigations. We've accepted commitments from firms in respect of two Competition Act cases, which we believe will lead to greater competition in the markets for vehicle service, maintenance and repair platforms and for road fuels in the Western Isles of Scotland. On the consumer law enforcement side, we secured a number of convictions and custodial sentences following an investigation into pyramid selling (begun by the Office of Fair Trading and colleagues in Trading Standards).

Executive Director Sonya Branch's recent [speech to the Westminster Business Forum](#) gives an overview of what we've accomplished on enforcement so far this year, and the challenges ahead.

All of this enforcement activity goes hand in hand with our work to help the vast majority of firms who want to comply with the law, and we've been expanding our work in this area considerably, developing new materials and research. I and colleagues have been out spreading the word, gaining insights from business and advisers and targeting our approach for maximum impact. We recently launched a [Short Risk Guide](#) jointly with the Institute of Risk Management (IRM), to help companies understand their responsibilities, and our Chairman [David Currie's speech at the IRM](#) sets out our approach in more detail.

Mergers

Whilst the broad mergers framework didn't change with the CMA, we gained some important new statutory powers and obligations, and we are continuing to bed in the changes and the benefits of having the two separate phases of review housed under one roof. An example of the new powers in action was our recent decision in the [Immediate Media/Future Publishing case](#), where we're now considering undertakings offered by the parties as an alternative to a full Phase 2 investigation. We also recently agreed a significant divestment in the [Diageo/United Spirits case](#) at Phase 1.

Work in the Devolved Nations

We continue to fulfil our commitment to be a UK-wide agency, and in October our Board met with a number of important partners in Wales as we held our monthly Board meeting in Cardiff. We took away a great many useful perspectives on competition and consumer issues affecting Welsh consumers and businesses, and a better understanding of how what we do is seen by others.

Like others, we followed developments in the Scottish independence referendum with interest, and subsequently put forward our perspectives on further devolution of competition and consumer responsibilities in a submission to the Smith Commission. Having now seen the Commission's recommendations in this area, we look forward to contributing to their implementation in a way that retains the confidence of Scottish consumers and businesses alongside the rest of the UK.

Out and About

I've also enjoyed engaging with the business community in different ways in the last few months – from a group of local businesses in the North of England to a panel of online experts at the Institute of Directors' recent conference. You can find details of [my remarks on online regulation at the IoD](#) on our website. It was a really interesting discussion, though I was a little surprised that subsequent press attention focused on my apparently saying that online currencies could 'liberate the oppressed'... I was of course thinking about countries far away.

I hope you've found this bulletin interesting and useful – please do let us know your thoughts on it. From everyone at the CMA, I wish you a happy holiday season.



Alex Chisholm, CEO
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