

COMPETITION AND MARKETS AUTHORITY
Minutes of the Board
23 July 2014

Present:

David Currie (Chairman)
Alex Chisholm (CEO)
Sonya Branch
Andrea Coscelli
Carolyn Fairbairn
Alan Giles
Roland Green
Bill Kovacic (by telephone)
Sir Philip Lowe
Jill May
Annetje Ottow
Mike Walker (items 10-14 only)
Erik Wilson
Roger Witcomb

CMA staff:

Paul Latham (items 3-14 only)

Executive Office:

Sean Cornall
Tim Jarvis
Rebecca Lyon (Minutes)

Introduction

1 Introduction

The Chairman welcomed members to the meeting. He congratulated Sir Philip Lowe on being made a Knight Commander of the Order of Saint Michael and Saint George in the Birthday honours list for his services to European Policy.

Declaration of conflicts / Recusals

It was noted that Carolyn Fairbairn was conflicted on banking and would leave the meeting for the first part of the CEO's oral update which would cover this topic. Sonya Branch was recused on Tobacco and would leave the meeting for any discussion on the Reading Room paper on this topic.

2 Chief Executive's update

The Chief Executive updated the Board on key developments and highlights in individual directorates from the past month.

Core updates

3 Residential property management services market study

(Andrea Coscelli, Douglas Cooper, Darren Eade, Daniel Gordon, Rachel Merelie, Liz Smart)

The team introduced the paper, outlining its findings and proposed approach to remedies in the Residential property management services market study. It highlighted its intention to further engage stakeholders and seek views on the range of remedies being considered over the next few months, before publishing the final market study report before the end of 2014.

The Board welcomed the work of the team and its proposed approach to remedies. It considered how to generate real change and definitive action in the market and emphasised the importance of the team linking with other interested parties across the office as well as leveraging from existing work in this area.

Organisational management and Thematic reviews

4 Informing the CMA's strategic assessment

(John Kirkpatrick, Nicky Brown, Zoe Cox)

The team introduced the paper, explaining that the Annual Plan included a commitment for the CMA to develop a Strategic Assessment and that this was the Board's opportunity to provide input to its development. The Board participated in brainstorming sessions on the most significant current, emerging or potential risks to consumers, the efficient functioning of markets and their contribution to economic growth in relation to six themes.

5 Consumer engagement: putting consumer at the heart of the CMA

(Nisha Arora, Gordon Ashworth, Mike Coates, Jason Freeman, Tim Jarvis, Tony Penny)

The team introduced the two connected papers, setting out the CMA's approach to consumer engagement – including through the International Consumer Protection Enforcement Network – and putting consumers at the heart of the CMA.

The Board was supportive of the proposals, noting that they were set in the context of external expectations for the CMA to have a consumer voice. It raised a number of issues for the team to consider as it developed its plans and delivered the proposals.

6 Introduction to the Director General for Economics and Markets

(Sam Beckett, Department for Business, Innovation and Skills)

Sam Beckett, Director General for Economics and Markets at the Department for Business, Innovation and Skills joined the meeting for an introductory session with the Board. She outlined her career history at HMT, Cabinet Office and now BIS and explained her portfolio, including responsibility for competition and consumer policy. The Board discussed a number of issues relevant to the Director General's portfolio, agreeing that it would be important for the CMA and BIS to remain closely engaged in the future.

7 The CMA's first quarterly performance report

(Erik Wilson, Rebecca Lawrence, Shagufta Hassan)

The team introduced the CMA's first quarterly performance report, intended to give the Board a strategic overview of performance over the first quarter.

The Board considered that while the report gave a good overview of activity in the first quarter, more was needed to turn it into a performance report, with a stronger data dimension, tracking trends and progress against the CMA's targets and indicators.

8 Risk management

(Erik Wilson, Rebecca Lawrence, Shagufta Hassan)

The team introduced the paper, updating the Board on progress in implementing the CMA's risk management framework. The Board discussed the corporate risk register.

9 Board member visit: Annetje Ottow

(Annetje Ottow)

Annetje Ottow had spent the previous two days at the CMA, attending a litigation roundtable, meeting teams and individuals and attending the latest Distinguished Speaker event. Annetje reported a number of observations from her visit.

10 Review and approval of draft public and private minutes of the June Board meeting

The Board approved the minutes, subject to drafting changes on the private minutes.

11 Effectiveness of remedies in different market investigations

(Andrea Coscelli, David Roberts)

The Executive Director for Markets and Mergers introduced the presentation he had given at the Centre for Competition Policy annual conference in June on the effectiveness of remedies in different market investigations.

The Board discussed the historic use of remedies and the CMA's priorities for the future, including the need to ensure remedies were appropriate and to review and monitor compliance and the effectiveness of remedies.

12 Format of papers

(Tim Jarvis)

The Board considered the format of papers received from teams, agreeing that there was a need to strike the correct balance between the information it needed in order to take decisions and the work required of teams to produce this in the most suitable format. It emphasised the importance of avoiding duplication in papers and guiding the reader to the key information needed in order for it to fulfil what was being asked of it. The Executive Office would continue to work with teams to improve the format of papers received.

13 Minutes of Committees

The Board noted the minutes of the Executive Committee (11 June, 23 June, 26 June and 2 July).

14 AOB

Committee terms of reference update

The Board noted the proposed amendments to the various committee terms of reference and that a further review of the terms of reference of the Remedies, Undertakings and Commitments Committee was being undertaken.

Reading room papers

The Board noted the Reading room papers provided for the meeting, some of which had been considered earlier in the meeting:

- i) Tobacco update
- ii) MasterCard/Visa update
- iii) Retail Banking – summary of media coverage
- iv) Pulse survey results
- v) Letter from the Secretary of State for Energy and Climate Change to Roger Witcomb on the Energy market investigation

Future meetings

The Board considered its upcoming meetings, noting that the September meeting would be preceded by dinner and the October meeting would be held in Cardiff on 22-23 October.