 <b>Regulatory Policy Committee</b>		<b>Regulatory Triage Confirmation</b>	
<b>Title of regulatory proposal</b>		The Competition Appeal Tribunal rules 2015	
<b>Lead Department/Agency</b>		Department for Business, Innovation and Skills	
<b>Origin</b>		Domestic	
<b>Expected date of implementation</b>		1 October 2015 (SNR10)	
<b>Date submitted to RPC</b>		20 November 2014	
<b>Confirmation date and reference</b>		8 December 2014	RPC14-FT-BIS-2274
<b>Departmental triage assessment</b>		Low-cost regulation	
<b>RPC confirmation</b>  The RPC confirms that these low-cost regulatory proposals are suitable for the fast track.			<b>CONFIRMED</b>
<b>Departmental rationale for triage assessment</b>  The Regulatory Triage Assessment (RTA) explains:  <i>The Competition Appeals Tribunal (CAT) is a specialist judicial body that hears appeals of competition decisions, and economic regulation in the communications sector. It also hears a number of appeals in other regulated sectors.</i>  <i>CAT rules have not been revised since creation of the CAT in 2003. However, in light of reforms to the competition landscape, and an increasing number of appeals, the Department has considered how the rules could be changed to streamline the process and improve efficiency.</i>  <i>An independent review by Sir John Mummery has recommended a package of improved rules to be implemented, including new rules on the introduction of new evidence.</i>  <i>The policy objective is to deliver new improved rules that will take into consideration changes in the competition landscape and reduce the length and cost of CAT cases. Shorter CAT cases would provide savings to all parties involved in a case and would also mean early implementation of some CAT (or regulatory) decisions that would benefit consumers and some businesses indirectly.</i>  The Department's triage assessment categorises the proposals as being suitable for the fast track on the basis that the costs to business of the proposed rule changes would be insignificant. The RTA states that these costs would be more than offset by savings to business as a result of shorter CAT cases, although the benefits of this have not been monetised. Overall, the proposed changes are likely to be net beneficial to business.			

## RPC comments

The RTA explains how the proposed new rules would lead to shorter time periods for the CAT to consider appeal cases. This would mean lower costs for all parties involved, including business. One proposed new rule, which would grant wider discretion for the CAT to permit amendment of notices of appeal without litigation, would save business legal costs. Although most of the proposals would not impose additional costs on business, some would increase costs. The RTA states that these would be relatively minor, and the net impact of the proposals would be beneficial to business.

The RTA does not quantify the costs and benefits of the proposals. However, it states that any costs arising from the proposals are likely to be low. It supports this statement by referencing a very low number of cases (17 – 25 each year) which translates into possible legal costs of between £51,000 and £75,000 each year in total.

On this basis, the RPC is able to confirm that the gross costs in any one year are unlikely to exceed the low-cost threshold and concludes that these regulatory proposals are suitable for the fast track.

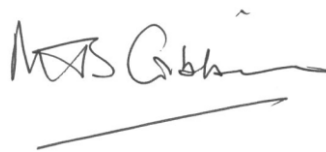
### **'One-in, Two-out' (OITO) assessment**

### **In scope**

The RTA states that the proposed rule changes that impose costs on business are insignificant and would be more than offset by savings to business as a result of shorter duration of CAT cases.

The Department will need to provide further evidence at the final stage to support the triage assessment's conclusion that the proposals would be net beneficial to business and should be treated as zero net cost for OITO purposes. Alternatively, the Department would have to provide an estimated equivalent annual net cost to business figure, along with supporting evidence, for validation at the final stage.

**Signed**



**Michael Gibbons, Chairman**