

# OFFICE OF FAIR TRADING

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## **OFT NAMES TRUSTEES AS PART OF THE INDEPENDENT SCHOOLS SETTLEMENT**

The OFT is today announcing the appointment of Tim Head FCA and Nigel Matthews OBE as initial trustees of an educational charitable trust to be established as a result of its investigation into information sharing amongst independent schools.

As part of the agreed resolution of the OFT's investigation earlier this year, the schools involved agreed to make ex-gratia payments totalling three million pounds into a trust designed to benefit pupils who attended the schools during the period in respect of which fee information was shared. Under the terms of the resolution, the trust will be administered by trustees appointed by the Chairman of the OFT following consultation with the Charity Commission and those who paid fees to the schools during the relevant period.

**Tim Head** is a Chartered Accountant. He was a partner in the London office of a major accountancy practice and former Chief Financial and Accounting Adviser to the Competition Commission. Between 2004 and 2006 Tim was an independent member, and chairman, of the Audit Committee of the Office of Rail Regulation, and is currently a member of the audit committees of both the OFT and the Training and Development Agency for Schools.

**Nigel Matthews** trained as a lawyer and was the Group Secretary of J Sainsbury before his retirement in 2001. He also served on a number of

government and trade committees including the Competition Commission, and was awarded the OBE in 2000 for services to the food retail industry. He currently serves as a governor of the University of Hertfordshire and a trustee of the National Grocers' Benevolent Fund and chairs the OFT's Audit Committee.

The OFT is also inviting comments on the proposed appointment of Professor Eeva Leinonen, Ian McCulloch and Michael Parkhouse as additional trustees. In particular, the OFT would welcome comments from those who paid fees to the schools in the academic years 2001/2002 to 2003/2004. The appointment of Messrs Head and Matthews as initial trustees and the proposed additional trustee appointments take account of comments received in response to an earlier consultation with the Charity Commission and those who paid fees to the schools during the relevant period.

Further details on the three proposed additional trustees and on how to respond to this consultation are available at [www.of.gov.uk/news/consultations/index.htm](http://www.of.gov.uk/news/consultations/index.htm). Responses must be received by the OFT by 5pm on 1 December 2006.

The OFT expects to announce a final, formal decision recording the competition law infringement admitted by each school as part of the agreed resolution shortly.

## **NOTES**

1. The OFT issued a statement of objections in its Competition Act 1998 investigation in November 2005 (see press release [214/05](#)).

2. Following discussions with a steering group chaired by the Independent Schools Council (ISC), the OFT announced in May 2006 that it had agreed a resolution of its investigation (see press release [88/06](#)). Under the terms of the settlement, each of the fifty schools admitted that its participation in the exchange of sensitive information through the 'Sevenoaks Survey' involved a distortion of competition and infringed competition law. Each school will pay a nominal penalty of £10,000 which will be collected by the OFT on behalf of the Treasury. The schools do not, however, make any admission that the agreement had any effect upon fees.
3. The schools concerned are: Ampleforth College, Bedford School, Benenden School, Bradfield College, Bromsgrove School, Bryanston School, Canford School, Charterhouse School, Cheltenham College, Cheltenham Ladies College, Clifton College, Cranleigh School, Dauntsey's School, Downe House School, Eastbourne College, Epsom College, Eton College, Gresham's School, Haileybury, Harrow School, King's School Canterbury, Lancing College, Malvern College, Marlborough College, Millfield School, Mill Hill School, Oakham School, Oundle School, Radley College, Repton School, Royal Hospital School, Rugby School, St Edward's School, Oxford, St Leonards-Mayfield School, Sedbergh School, Sevenoaks School, Sherborne School, Shrewsbury School, Stowe School, Strathallan School, Tonbridge School, Truro School, Uppingham School, Wellington College, Wells Cathedral School, Westminster School, Winchester College, Woldingham School, Worth School and Wycombe Abbey.
4. The trust is independent of the schools and of the OFT. Schools will make equal annual instalment payments into the trust starting in 2006 with the last payment no later than 31 December 2010.
5. The initial trustees of the trust have been appointed by the Chairman of the OFT, Philip Collins.
6. The OFT started its consultation on the proposed appointment of Messrs Head and Matthews as initial trustees on 28 September 2006 (see press release [139/06](#)). At the same time, the OFT invited nominations of suitable candidates for appointment as additional trustees.
7. The participation of two of the schools (Sedbergh School and Truro School) in the infringement was limited to two of the three relevant academic years; 2002/2003 and 2003/2004 in the case of Sedbergh School and 2001/2002 and 2003/2004 in the case of Truro School.

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