HOUSE OF COMMONS

Business and Trade Committee

Oral evidence: Appointment of Doug Gurr as Chair of the Competition and Markets Authority, HC 1723

Tuesday 24 February 2026

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Watch the meeting

Members present: Liam Byrne (Chair); Antonia Bance; John Cooper; Sarah Edwards; Alison Griffiths; Charlie Maynard; Mr Joshua Reynolds.

Treasury Committee member present: Yuan Yang.

Questions 1-61

Witnesses

Doug Gurr, Government's preferred candidate for Chair of the Competition and Markets Authority and Interim Chair at Competition and Markets Authority.

Examination of witness

Witnesses: Doug Gurr.

Q1 **Chair:** Welcome to today's hearing of the Business and Trade Committee. Before we commence our hearing this afternoon, I want to share with the House the outcome of the Committee's deliberations on a potential inquiry into the role of trade envoys.

Central to the Committee's deliberations this afternoon were questions of both the scope and the speed of any potential inquiry. On the question of scope, there is now a police investigation under way into the alleged misconduct in public office by Andrew Mountbatten-Windsor. The question for us, therefore, is whether the system of appointment and governance for trade envoys—not the behaviour of any one individual—was fit for purpose, and whether Ministers have lessons to learn and reforms to make. On the question of speed, we are mindful of the two statements issued by Thames Valley police on Thursday 19 February, confirming that a case is now active, so care should be taken with any publication to avoid being in contempt of court.

Given the gravity of the allegations, the Committee is of the view that it is essential that Parliament, which makes the law, does nothing to undermine the implementation of the law. Nothing must now compromise the full and unimpeded process of British justice and the possibility of a fair trial, if and when charges are brought. The Committee has therefore resolved that we should begin gathering information immediately, so that we might stand ready to launch an inquiry into the governance regime for trade envoys at the moment the police and criminal justice system action has concluded. We will therefore issue correspondence to Ministers straightaway to seek the information we need in order to make these preparations, and we will come back to the House with our opinion about whether an inquiry should be launched, depending on the information we receive. That concludes the statement.

Mr Gurr, we now turn to the pre-appointment hearing for the role to which you have applied—chair of the Competition and Markets Authority. Thank you very much for joining us today. I thought I would set out the six or seven basic concerns we want to get into over the course of our time together this afternoon. Colleagues around the table have lots of questions, but I thought it would be helpful if I framed some of the issues we have at the top of the meeting, so that you can orientate yourself.

The first issue is that, over the last 10 years, the CMA has basically doubled inside, from around 650 staff to more than 1,200 staff. Yet, when we look at the competitive dynamics of the UK economy, they have deteriorated, not got stronger. That is problem No.1.

Secondly, we are obviously concerned about whether and how robustly you will stand up to Ministers, given that your predecessor was effectively

removed. We are especially concerned about whether you will seek to prioritise investment, even if it delivers market consolidation, rather than improving consumer welfare. We note that, over the last year, the CMA has vetoed zero mergers, and it is the first time that that has happened since 2017.

The third issue we have is obviously the prioritisation of our constituents' interests. Our constituents are mired in a cost of living crisis, yet our perspective is that hitherto the CMA has proved quite slow to launch market investigations. I think our view is that enforcement action has been quite weak.

The fourth issue is around the risk of conflicts of interest. You have obviously spent much of your career working with one of the world's largest oligopolies—Amazon. It was investigated by the CMA over the risk of fake reviews in May 2020, while you were still the Amazon UK country director. Fake reviews are not a marginal problem; they are an economic harm that costs the country up to £300 million. There is a critical decision ahead about whether Amazon is designated with strategic market status, so we are concerned about whether you might pull your punches and leave the new powers available to the CMA unused.

The fifth issue is around time management. You are obviously running one of the world's most important visitor attractions for much of the week, so we are really looking for quite a lot of reassurance that it is possible to do all the things that you are doing.

We then have a set of concerns around the use of the new powers available to the CMA. We note with some concern that there has been a delay in seeking remedies from Google around its relationship with news producers—I think that has been delayed for another 12 months. When it comes to Google and Apple mobile ecosystems, the CMA has sought non-binding, frankly legally meaningless commitments, not legally binding market conduct requirements.

Finally, we are obviously concerned about the CMA as an organisation, simply because a budgeting error has now required a 10% staff reduction. I am conscious that that happened before your tenure, but the staff surveys that are available to us show that only around a quarter of people want to stay working for the CMA for the next three years. You can see that there is quite a long list of things that we want to go over this afternoon; I just thought it would be helpful to set them out to help orientate this hearing.

Let me start with your theory of growth. We are all pro-growth. You have been appointed because Ministers are convinced that you will take a pro-growth perspective and bring that to bear at the CMA. Give us a sense of what you think is holding back growth in the British economy.

Doug Gurr: First of all, thank you, Committee, for the opportunity to appear here; I really appreciate that chance. And thank you, Chair, for setting those points out so clearly; that is incredibly helpful.

Coming back to the issue of growth, perhaps I might start with why growth matters.

Chair: You don't need to plug that too much; we are all pretty keen on growth on this side of the table too.

Doug Gurr: Great. I will go straight into it. There are a number of things that contribute to growth; we know that. It is access to skills. It is typically access to markets. But one of the most important things that contributes to growth is business investment. Business investment is what actually improves productivity. It drives innovation; it is one of the most important things.

You asked what is holding back the UK. Actually, one of the challenges we have had for a long time is that business investment has been very low. I think we have been bottom of the G7 for each of the last 15 years. That is quite a difficult challenge. We can debate the reasons for that, but a lot of it comes back to businesses. That includes domestic businesses; it includes global multinationals who have operations here and who have very free choices about where to invest. It also includes global capital money. Where does it choose to go? It has options.

As I say, there are a number of things that drive business decisions about where to invest. You want to feel that you are operating somewhere where you know there are market opportunities and there is talent. But one of the single most important things—I say this having sat around the table over many years having these kinds of discussions—is confidence in a stable, predictable regulatory environment. Very often, the investments you are making might have 10, 20 or 30-year time horizons, and they are incredibly sensitive to the rules of the game. So one of the things that very rapidly scares off investment, and hence slows down growth, is if you are just not clear what the rules are and what the investment environment is.

When I started to have these conversations 12 months ago—when I was first asked to take on this role on an interim basis—that was very much the focus: how do we encourage businesses to have the confidence to invest in the UK, but crucially—I am pleased you touched on some of these issues—without in any sense walking away from our commitment to strong competition, which we know is important, or to consumer protection? I know there is lots of debate about whether we can really square that circle, but for me it is very clear that if you want to support growth, one of the most important things—this is not the only thing, but it is one of the most important things an organisation like the CMA can contribute to—is that stable, predictable regulatory environment that gives businesses of all sizes in all jurisdictions the confidence to invest here, subject to absolute belief in competition and absolute belief in consumer protection.

Q2 **Chair:** That is very helpful. When we look back over the last 10 years of market consolidation in the UK—this is your evidence from the CMA, but the ONS confirmed this too—business dynamism is diminishing, when you

look at entry and exit rates and also at the increase in mark-ups, for example. Is that a problem?

Doug Gurr: It is interesting. That is actually a global phenomenon. If you look across all markets in the world, you will see a general tendency of reduction in that. There is a slightly positive case, which is that the slowdown is less in the UK than it is elsewhere. However, it is a challenge, because what it is really telling you is that there is not sufficient evidence of market entries, innovation and all those things. If you end up in a situation where there is too much incumbency and not enough innovation, you will see that slowdown in competition, and that in turn, as you say, has the consequence of consumer harm and detriment.

The challenge for us therefore is, what can we do to encourage that growth in competition and innovation? Interestingly, having spent quite a lot of time over the last 12 months talking to business and talking about the opportunities, one of the things that comes out loud and clear is the question of public procurement. The UK central Government alone spent £385 billion on public procurement last year. That is just central Government, never mind local authorities and other distributor organisations.

Part of the challenge, which we hear loud and clear from businesses, is that, for really good and understandable reasons, the public procurement processes have become very complex. We understand that—of course, you have to mitigate all sorts of risks—but the unintended consequence of that complexity is that you have made it really hard for businesses to get in. It is particularly hard for start-ups and innovative businesses to get access.

If I put a competition lens on, that actually reduces competition. Imagine if you are now a public procurer, whether in the health space, the defence space or the transport space. If you reduce the pool of competition, and particularly if you make it hard for innovative, scaling businesses to get access, that is one of the things that has the biggest impact.

Again, it has been quite sobering in some ways to listen to British businesses saying to us, "You know what, we are an innovative British business. We have got through the start-up stage and we are trying to scale. We sell to many countries around the world, but we do not sell in the UK."

Q3 **Chair:** What are the lessons of that analysis, then, for what the CMA has to do in the future? We have this doubling of the CMA's size over the last 10 years. We have admitted that the competitive environment has deteriorated and not improved. And you have flagged this interesting point about the role of public procurement. But what does the CMA have to do differently if it is to encourage both an increase in business investment in the future and, frankly, a healthier, fiercer competitive environment?

Doug Gurr: Thank you. That is a brilliant question, which goes to the heart of this. I will refer you, if I may, to the strategy we published a few months ago and, in particular, to the current draft annual plan, which is out for consultation. What you will see is that we say we do two things: we

work on competition and we work on consumer protection. We do that for the reasons we understand: to drive growth and, crucially, to improve household prosperity. That is the goal.

If you look at the five strategic priorities we have laid out, there is a piece that is just around using the toolkit for competition, but one of the most important things we highlighted—there are also the things we do directly, and there is obviously our mergers work and our subsidy advice—is that there is an important role for the CMA in looking precisely at these questions you have raised: what are the barriers, and what stops start-ups scaling in the UK? We do pretty well on start-ups, but we struggle on scale-ups.

That brings me back to these questions around the challenge. We are already doing work, and will continue to do work, around public procurement. We will continue to look at these areas where you are saying, "What are the cross-economy barriers that are slowing things down?" Public procurement? Yes.

The other thing we flagged very clearly as one of those priorities is that point I came back to: how do we create an environment that will encourage business investment? In some ways, it is about not just how we can reassure domestic businesses that they can invest in confidence, because they know there is a stable, predictable regulatory regime, but how we can show international businesses, who have a very wide choice about where to invest, that the UK is really where you want to be.

Q4 **Chair:** If a significant investor comes along and proposes investment that will up the level of business investment in the UK economy, but nevertheless exacerbate market consolidation and potentially diminish consumer welfare, are you not caught between the strategic steer from the Chancellor—thou shalt increase investment—and what we are interested in, which is a more competitive business environment that drives down costs for our constituents?

Doug Gurr: That is a great point. Growth is an outcome of the work that we do on encouraging competition and improving household prosperity. In many cases, the investment we are trying to encourage is not about something that would cause a detriment; it is about asking how we persuade large organisations thinking about establishing new R&D facilities that would increase competition—we want more people to enter the market, and we want more people coming in, because we absolutely know that competition is one of the most powerful ways of driving benefit—to place those facilities here in the UK.

I come back to the point that, very often, when organisations—that includes large, multinational organisations, but crucially also global venture money—are looking at opportunities, they say, "What is the business environment like? What is the regulatory environment like? Can we agree on predictability?" That kind of investment will increase competition, and we believe passionately that increasing competition will, over time, increase consumer benefit.

Q5 **Chair:** So you think the circle can be squared.

Doug Gurr: Absolutely. One has to be very cautious about talking in absolute generalities here, and the reality is that everything has to be examined case by case. But if, for example, an organisation came in and said , "We are willing to make an investment in this country that will expand the number of competitors in an area," that would be a perfect example. You are getting business investment, and hopefully introducing a new competitor, or expanding a competitor, in a way that will actually increase the productivity of that organisation.

Q6 **Chair:** But what if it is diminishing the competitive pressure in the environment? What if it is buying up hundreds of small firms to kill in the crib, with threats to future innovation, and that is not necessarily triggering merger thresholds but is definitely consolidating new industries in a way that diminishes consumer welfare?

Doug Gurr: That is a really good and important question. This is why I come back to the original framing: how do you encourage the maximum possible business investment, subject to the absolute constraints of not reducing competition or causing consumer harm. Forgive me, but for my sins I started my career as a mathematician, and this is what we call a constrained optimisation problem: it is not investment at all costs; it is investment subject to those two absolute constraints, such that you will not diminish competition or cause consumer detriment.

Q7 **Yuan Yang:** Mr Gurr, using that analogy you made with the constrained optimisation problem, is the CMA already at the optimal frontier and, if not, where could it be improved?

Doug Gurr: There is an enormous amount the CMA can do. In the 12 or so months I have spent there, I have been genuinely struck by the opportunities, including to actually improve the lives of UK citizens. There is work we can do directly around consumer protection, and I am sure we will talk about some of the harms we see and how we can address those. But also, if we can encourage that business investment, scale-up and dynamism and drive the growth, we know that that growth will help to fund essential public services and put money back into people's pockets.

By the way, that is part of the virtuous circle. The Chair rightly started with the question of what drives growth, and one of the other things that drives growth is consumers having confidence and prosperity, because they can then start to invest.

Q8 **Yuan Yang:** You mentioned the 15 years of low private investment in the UK, which has really damaged our economy. Did the CMA have any part to play in that?

Doug Gurr: I am not the best person to comment on the past 15 years. There are many factors we can all look back to over those past 15 years that clearly had an impact. I do know that, going forward, the CMA can have a big role to play in turning that around. This is genuinely a really good time. For good and understandable reasons, in my experience, businesses find uncertainty quite challenging. The reason they find it

challenging is that, if you look at the timeframes, these investments often have a 10, 15, 20 or 30-year payback. You know that you therefore want to be able to model roughly what the rules of game are. As soon as you introduce a high level of uncertainty, the inevitable consequence is that people just say, "You know what, we'll just wait and see," so in a sense we have had a period of latent wait and see.

Therefore, I think that simply giving that stability, confidence and predictability will actually be of benefit. I do not want to be too optimistic about this, but I genuinely believe from conversations that I have had that there is pent-up demand, and that there is an opportunity. If we get behind that opportunity, that will really benefit UK businesses.

Q9 **Chair:** You are giving us a pretty clear prioritisation around the way in which decisions are taken. You are saying pretty clearly that driving up investment is secondary to improving the competitive environment and customer welfare.

Doug Gurr: I hate to reuse what sounds like a very jargonistic phrase; it is not that those things are secondary, but just that you have to say, "The maximum possible business investment, subject to not harming the competitive environment and not harming consumers." That means that when you look case by case, there will be potential investments where we say, "You know what? That's great. It's going to improve productivity, it's going to bring new competitors, it's going to actually improve services to customers. That feels really good." Without getting too much into hypotheticals, there may be situations where you say, "You know what? This investment causes challenges." That is where we have the tools, to look at all these things.

Q10 **Alison Griffiths:** I want to follow up on the comment you made about investment having been low for a long time. I was director of strategy at Innovate Finance, the fintech trade body. I am sure you are aware that in fintech, we are third—behind only China and the US—for inward investment. That is on the back of the rule of law, skills and capital base here in the UK. None of that is different for any other sector, so what is causing the issue? We have a clear demonstration of a sector where it is not an issue, so what should you change?

Doug Gurr: That is a great question, and a really nice example of a genuine British success story. As you rightly say, we have created an extraordinary fintech sector. To unpick that a little, in a sense the question is why that happened in the UK rather than in Germany, France, Italy, Spain, Poland or the Czech Republic.

I take zero credit for it, as it was before my time, but one of the contributory factors to that was the open data initiative. It was that intervention some years ago that suddenly said, "Let's create the opportunity"—

Alison Griffiths: I would not say that was the overarching thing, but carry on.

Doug Gurr: I am not saying that it was the only one, but you asked what the issue is about different sectors that have not done it. One interesting tool to encourage competition is to say, "How do we open up datasets?" This is a good example of where that suddenly meant that innovative start-up businesses could compete on a much more level playing field with incumbents than they might otherwise. There are many different ways in which incumbents can operate and have certain advantages: obviously, they tend to have scale and established customer relationships, but they also often have data assets. When you open that up, you create scope for innovation.

I will pivot a little to that, as I think that is one tool. It was a CMA initiative to encourage the opening of that data. If you look at the analogous situation on Fuel Finder, again, it is not necessarily about that. It says that we believe we can both encourage competition and improve benefits for citizens by being transparent about what the price is every day, every minute at every petrol pump. Once you open that up—

Q11 **Alison Griffiths:** Going back to open banking, I think the open banking organisations would now say that they want to be given more access to create that. What have you done as interim CMA chair to make changes that will start to deliver the growth that has been seen in other sectors?

Doug Gurr: I come back to the point that, although I am absolutely not saying that it was the only factor and there are always questions about access to skills and to capital, I would argue that clearly one factor in the case of what made the successful fintech sector, certainly in those organisations I talk to, was the open banking initiative that made the data available. We have effectively just done exactly the same, through our recommendations, through petrol forecourts.

Again, the general question of how you increase transparency is a very powerful lever. It is very powerful for businesses, and I am particularly thinking of innovative start-up businesses that can now build tools and services on top of those frameworks. That is very powerful.

It is also very powerful for consumers. If you look at some of the consumer protection work we have done in areas such as vets or baby formula, or the possible investigation we may launch into dentistry, the questions very often come back to: do I have the information to make an informed choice? That is again an example of where we can take inspiration from the success of the fintech sector, and consider how we can move that into other sectors across the economy.

Q12 **Chair:** Let us move on to how you are going to balance the time. The Natural History Museum is one of the most important institutions of its kind in the world, and it is one of the most important visitor institutions in the world.

Doug Gurr: You are very kind, Chair. Thank you for that.

Q13 **Chair:** It feels like a seven-day-a-week job running that place, and not a three-day-a-week job, not least because of the fundraising targets that

the institution has got in the year or two ahead. How on earth is it possible to both run the Natural History Museum and be chair of the CMA?

Doug Gurr: Throughout my career, and certainly over the last 20 to 25 years, I have always sought to be effective enough to be able to run a full-time day job in four to four and a half days a week, and clear up some time to do a non-profit role on the side. Even when I was at Walmart or Amazon and had busy executive roles, I was still able to do that—I chaired the Science Museum Group, I chaired the British Heart Foundation, and I was on the board of the National Gallery. I have always done that.

It comes back to a very wise piece of advice I was given many years ago. We all have exactly the same 168 hours in a week, and the piece of advice I was given was that a third, a third and a third is not a bad split: you need about a third of it on sleep, a third on work and a third for everything else in the rest of your life. That gives you 56 hours a week.

I am quite picky about maintaining very careful diary analysis. If I look back over the past 12 months, I have been committing 40 hours a week to the Natural History Museum and 15 hours a week to the CMA, and that more or less keeps this in balance. That is what I have done probably for the last 20-odd years. Right now, it is a full-time day job at 40 hours, and 15 to 16 hours a week on a second major commitment, which effectively allows you to chair an organisation.

As I say, that is where I have been over the past 12 months. You should, as ever, judge me on the track record, but the board of trustees at the museum and the two Departments are very comfortable that these two things should be manageable.

Q14 **Chair:** Often these roles are advertised and paid at two days a week, but consume twice as much time, especially at moments of emergency. If there is an emergency at the CMA—it looks like an organisation that needs a heck of a lot of work—what happens when you have surges of work? How on earth can you accommodate that while running the Natural History Museum at the same time?

Doug Gurr: That is a really good question. We all know, and I am sure we have all experienced, that there are always moments when you have to go all in. In some ways, it has not been the quietest last 12 months at the CMA. We met 10 or 11 months ago, and as you know there was a lot of change going on. I was obviously also very new to the organisation, going up a steep learning curve.

The reality of it is that, on a week-to-week and day-to-day basis, things come and go. But, as I say, it has certainly been my experience over the course of the last 12 months that those two things have been very manageable, and I see no reason why that would change. I expect peaks and troughs, of course, and moments when you have to roll your sleeves up and get all in. If needs be, that is what I will do.

I say that off the back of 20 to 25 years of experience of operating like this. Candidly, the last 12 months have been very busy. It has not actually

been the busiest period I have ever had. If you want to talk about really extreme busy periods, there was a time during covid when everything was crazy. So it is not the hardest I have worked, but I am very clear that I have made commitments to the museum and the CMA that, if extra time must be put in, extra time will be put in, and from time to time it is.

Q15 **Chair:** What will come first if there is an emergency at the Natural History Museum and at the CMA? How will you decide which to prioritise?

Doug Gurr: You manage both. It is a very interesting point. Many years ago, I was given a wise piece of advice by a mentor. I was working for a large organisation, and I was getting quite caught up in these sorts of issues. He said, "We are a very large organisation, crises happen all the time, it is the nature of the beast. Think about the following: put yourself 12 months in the future. Looking back, what will you remember? Nobody quite remembers what happened or how it happened, because crises always get solved. They do. That is the moment when people roll their sleeves up, get stuck in and rise to the occasion. Twelve months from now, the crisis will have been solved, it will have passed, and nobody will quite remember even what it was or what happened. What they will remember is how you behaved." In that moment, we use somebody who can continue to balance the various conflicting objectives, stay calm, manage and make things work. Again, I refer you back to periods in my career where I have been dealing daily with multiple crises in different organisations. You juggle, you rely very hard on brilliant teams, and you intervene. I do not want to be too sanguine about this, but I do come to you with the experience of having, for whatever it is worth, gone through a lot of crises, a lot of times.

Q16 **Charlie Maynard:** I start by declaring an of interest. I used to work in M&A and I founded a business in 1996. I still own a stake in it, though I have no role or responsibility in it. It is called BDA Partners. It is in my entry in the Register of Members' Financial Interests.

Doug, you have a very impressive resumé. Many congratulations on everything that you have achieved. From 2011 to 2020, you were country manager for Amazon. There were quite a lot of tussles with the CMA during that period, and with the CMA's predecessor. There have been quite a lot of tussles since you stepped down, probably referring to that period. Could you talk us through those? I am not going to perfectly hold you to it, but for the ones you immediately remember, could you talk us through what those tussles were and what your take is on them? Just summaries, please.

Doug Gurr: To be precise, I was at Amazon from 2011 to 2020. I spent a couple of years in the UK as a sort of de facto No. 2. I was in China from 2014 to 2016 and was then back in the UK as country manager from 2016 to 2020. Obviously, like every large organisation, we had many meetings with many regulatory bodies. I have had meetings with regulatory bodies, obviously not just in the UK, but in China, across Europe, and the US. I think the only specific interaction I had with the CMA was probably in the context of the Amazon and Deliveroo interaction, where there was a

minority stake called in by the CMA. That was probably my lived experience of interactions with the CMA.

Q17 **Charlie Maynard:** Okay, but what about Amazon UK's interactions during that time? Do you want to add anything else there?

Doug Gurr: As I say, like anybody running any large organisation, we had very frequent meetings with all sorts of regulatory bodies about all sorts of issues. There is nothing that particularly springs to mind.

Q18 **Charlie Maynard:** Let me jog your memory. In 2012-13, the Office of Fair Trading, the CMA's predecessor, investigated Amazon for suspected anti-competitive practices related to price parity. In 2022, there was an investigation into Amazon Marketplace. A fake reviews investigation was undertaken from 2021 to 2025—that took four years. There was the Amazon and Anthropic partnership, though that was pretty minor. There was the grocery retailer designation—again, pretty minor. Then there is the cloud services market investigation, which is going on right now, since 2025. I mean, that is a lot. City AM says, "Gurr led Amazon in its tussle with the CMA over an investment into Deliveroo". There is a fairly strong picture there of Amazon repeatedly having to have the CMA come after it because of anti-competitive practices. What strikes me, and others on this Committee, is that there is the positive interpretation that you are now a poacher turned gamekeeper, but fundamentally, Amazon as an entity spent a lot of time batting-off, or maybe discussing, with the CMA. We have somebody who was essentially fighting them off, now in charge of the CMA—and that does not sit very well.

Doug Gurr: That is a very reasonable and fair challenge. Again, if you look at the criteria for this role, which was seeking somebody with big business experience in international digital markets, I suspect that any candidate in front of you would to some extent have been involved in a business that would have interacted with regulators. Still, it is a very fair challenge.

Let me say two things in this context. First, having now spent some 12 months interacting directly with the organisation, the CMA has incredibly rigorous and tight processes around potential real and perceived conflicts of interest. Those apply to the chair and every member of the board—every executive working there. Those are very rigorous processes. In any situation that we look at—and in the chair role, you are not necessarily involved in decisions on specific cases—they are absolutely tight and rigorous in dealing with and addressing any potential conflict of interest. Again, fully understanding the conflicts of interest, both real and perceived, is also equally important.

Secondly—I stress that it is an absolutely fair question—I would say judge me on the track record. I have been there for 12 months, and we have continued to act with pace. Very soon after I joined, we made progress on the digital markets regime with three investigations—including Google and search and search advertising, and Google and Apple on mobile operating systems. We have said publicly that decisions will be coming to the board

about where the next investigation might be by the end of March. We have also got the cloud market investigation and have been very clear that that is something the board will consider in the next few months. Again, judge me on the track record. I am very happy to be queried on that. Also be reassured that I can guarantee that the CMA has incredibly rigorous processes and mechanisms in place to prevent any conflicts.

Q19 **Charlie Maynard:** A very fair answer. We possibly have strategic market status coming down the pipe for Amazon with cloud services. There are also digital advertising, online marketplace and e-commerce out there as well as other possibilities. As was widely reported, and our Chair just mentioned, there was not a single veto of a merger last year. That is one point on the track record.

There has also been wide reporting in the press about political pressure on the CMA by the Government encouraging a light or no-touch approach. Then you have very reputable law firms such as Linklaters, Slaughter and May and Ashurst questioning the proposed abolition of the independent panel, essentially opening the way for the Government to have more influence. As per conversations that the Committee had with Sarah Cardell, it has been pretty slow to look at initial markets regarding companies such as Ticketmaster that have very strong market shares; very little has been done there. I get that there was a legal case, but there are still opportunities. The Digital Markets, Competition and Consumers Act 2024 has also not exactly jumped out of the gate. As a track record, that does not fill us with a huge amount of comfort.

Doug Gurr: Let me address a couple of those points. First, on no mergers having been blocked: the vast majority of mergers—and there are many thousands every year—do not cause problems. We blocked one merger in 2024; we did not block any in 2025 and we have blocked one so far in 2026—just last month. We had four cases that went through to phase 2. One was blocked, one was cleared with remedies and two were cleared. That is not massively out of line, and you should not necessarily expect to see that. Our position has been very clear: the vast majority of mergers do not cause concerns and where mergers can be cleared—either unconditionally or with appropriate remedies—they should be. Again, I would not necessarily read anything into this. It is very easy to say, "Golly, you went from one to zero and back to one again." Those are very small numbers, so you should expect a degree of variance.

On the track record, I would push back a little. I will start there and we can absolutely talk about the digital markets regime. It is an example of an important win for the UK, and I would love to come back to it if I have a moment later. However, just looking at consumer issues, over the last 12 months we have dealt with baby formula and vets, and are dealing with Ticketmaster—notwithstanding that we could perhaps have moved faster on that. We have looked at fuel and made interactions. We are also considering launching an investigation into dentistry.

At the same time, I know that there were questions about some issues—as you have just set out. I am very interested in the Committee's view on

this, but my experience is that if there is an area where I would want to see more energy and interaction, it is around consumer protection. In some ways it is very easy to listen to what business is saying to you. Businesses are organised and have representative bodies that come to you. It is sometimes harder to make sure that you have the consumer voice in the room. Actually, one of the reasons why I always enjoy meeting elected representatives is that you talk to your constituents, and you bring really passionate and powerful anecdotes around that, which is a really important part of this. For me, where you need to lean is the consumer protection.

I think it has been a challenge in the past that the powers were not as strong as perhaps they needed to be. We obviously have new powers, which came into force in March. There was a reasonable level of questioning back in the summer about, "Why haven't you done anything?" The reality is that it takes a certain amount of time, because we could only start gathering evidence once the new powers came in.

However, as you saw, we went out in November and, crucially for me, we went out to try to work out how to get the maximum possible impact for our work. We are an across-the-economy regulator; rather than just going after one individual case or an individual business, we said, "Look, here are some things we have identified as problems—drip pricing, unreasonable countdown timers. We know these are big issues in many sectors, across many businesses."

That is why you saw that, when we came out, we came out across 14 different sectors of the economy. We sent more than 100 advisory letters and we took enforcement actions against eight people. In parallel with that, we issued guidance to the businesses doing good jobs, because if you can do that effectively, you can deal with the issue of drip pricing not just in the case of one business or one instance, but across the whole economy.

That is an example where I have to say, and I have been involved with and led many organisations, that I think you must give the organisation and the team who work there a lot of credit for having worked hard and having moved quite fast. That is just on the consumer side, because I would like to start there, but I am very happy to talk about the digital markets or the mergers activity.

Q20 **Mr Reynolds:** Very quickly, Mr Gurr, Charlie was asking you about your former employer, Amazon. How much contact do you still have with Amazon?

Doug Gurr: I have not worked for Amazon for over five years. I have absolutely no financial interaction with Amazon. I did have a shareholding. I sold down all my shareholdings—slightly painfully, I have to say—at the point when I took on the interim role, because I fully understand the importance of being absolutely clear about potential conflicts, both real and perceived. I have no formal connection whatsoever. I still know a number of people and people occasionally approach me—quite often are

people who are leaving and looking for a bit of coaching or career counselling—but that is the limit of the interactions.

Q21 **Mr Reynolds:** Do you think that when your former colleagues at Amazon heard the announcement that you were going to be made the interim chair, and the announcement yesterday of your proposal to be permanent chair, they were jumping for joy?

Doug Gurr: You would have to ask them about that; I do not know. I mean—

Mr Reynolds: You know them better than I do.

Doug Gurr: I have not had any conversations with any of them around this instance. In fairness, I would say, not specifically about my former employer, or employers—I have had a number of employers—but generally, is that one of the things when I took on the role, which again we have not talked about, is that with a regulatory regime, as well as giving confidence and stability, sometimes what is important is not so much what you do, but how you do it. A lot of the feedback that we were getting about the CMA specifically was, "You're too slow", or, "We're not quite sure what the process is", and so on. That is why I was so supportive of the 4Ps programme that Sarah put in.

The feedback that I have had generally from businesses is, "Thank you for engaging and thank you for listening to us." We set up a growth investment council to engage with business. We have a parallel council to make sure that we engage with consumer organisations, Which? and the Consumers' Association. I am very pleased to see that the Committee also has many meetings with those organisations.

I would say that the feedback generally has been: "Actually, we do want a regulator that is willing to engage and talk to us", although obviously within the constraints of having to maintain an independent decision-making power, and we have very strong powers. That is probably the biggest piece of feedback.

Q22 **Mr Reynolds:** On the other side of that, at the point of his departure your predecessor warned against the CMA becoming "vulnerable to short term expediency or vested interests". Given that the CMA had quite public pressure from the Government to align with its growth agenda, what do you think your appointment in the role says about his quote?

Doug Gurr: Thank you for that question. If I may, Chair, I would also like to touch on one of the points that you made in your framing comments around this question of independence, because I think that sometimes it is presented as being very binary: "You're either independent or you're not." If I may, I will just unpick that a little.

If you look at individual decisions—should we approve or disapprove a merger; should we designate an organisation as having strategic market status?—broadly speaking, around the world, there are three different ways you can take these decisions. You can do that through the courts,

through political decision making or through technocratic, independent organisations.

I think the general consensus globally is that the best way of taking individual decisions is through independent organisations—as technocratic as possible. That is what gives you the most confidence in the stability of the regime and enables the fastest possible decision making. That is why, when we talk about independence, I do believe in and would passionately defend the importance of individual decisions being made individually, based on their merits and not based on any other organisation.

That said, and I really don't have to tell the Committee this, we live in a parliamentary democracy and the statutory regime is such that the Government are required to, and do and should, issue a strategic steer to an organisation like the CMA. That is the strategic steer, set out every five years, that gives you the framework within which you should do your decision making.

The strategic steer says on the different considerations—we have talked a little about this—"How do you weight consumer protection, growth and so on? What is the appropriate weighting?". That is the right thing and that is what the Government are required to do. Then the CMA, or an organisation like the CMA, should be accountable for independent individual decision making, but in the context of that strategic steer; it should define the framework that is used to make the decisions.

For me, that is an example of things working exactly as they should. You would not want to be—and when I listen to businesses or consumer groups, I don't think they would want to be—in a situation where decisions were made with no accountability back to Government or Parliament. That cannot be right. So the mechanism of accountability is through the strategic steer and through the challenge of the Select Committee and other parliamentary scrutiny. That is it working well. But within that context, you want individual decisions to be taken within that framework by an independent group of experts, which is broadly what we have. That is the way in which I would passionately defend the independence of the organisation.

Q23 **Mr Reynolds:** To take you back to the quote from your predecessor, he warned about the CMA being "vulnerable to short term expediency or vested interests". What did he mean by that?

Doug Gurr: I cannot speak for what Marcus or any other commentator would have said. What I can tell you is that my experience is that, shortly after I took on the interim role, I was very pleased to see that we had a clear strategic steer from the Government, because in some ways I could argue that had been missing in the past. That is both not right and not really fair on the organisation, because in the absence of any strategic steer, the risk is that you have to almost create your own, which is not really where we should be. That is not accountable through Parliament; it is not accountable through Government.

You can then look at the strategy we subsequently published and the forward plan we published, subject to consultation. Those, as I hope you will see, very clearly reflect the strategic steer, but at the same time they absolutely preserve the independence of decision making. I have to say that, in my experience over the last 12 months, there has been absolutely no interference of any kind in individual decisions. What we have had is a good debate and a good, clear strategic steer. We have the steer. That defines the framework. That is the way in which we are now trying to operationalise the decisions.

Q24 **Charlie Maynard:** On the point about passionately defending independence, a consultation is out at the moment, I understand, to take down the independent panel. That does not sit well in terms of passionately defending independence.

Doug Gurr: Let's wind back a bit to the current system. We actually have two systems. We have a mergers and markets system and we have a separate system under the digital markets regime that came into force fairly recently. They are slightly different, and I will come back to that, but currently, under the mergers and markets regime, there are two aspects that are unusual in international terms and cause quite a lot of confusion.

One aspect is the two-stage process, which was not a bottom-up design. It is effectively a consequence of the merger, many years ago, of the Competition Commission and the mergers and markets authority; you effectively bolted two processes on the end. Then we have the independent panel, a panel drawn from executives and a pool of independent experts, to decide individual cases. There are many strengths to that system. It absolutely gives you that independent decision making and it gives you access to an extraordinarily talented group of panel members; I do not expect to see that changing anytime soon.

What the Department is consulting on—again, I should stress that this is the Department's consultation—is basically saying that there are enormous strengths with that system, but there are a number of challenges. As I understand it, that is the route of the consultation. One challenge is that it is very unusual—in fact, it is unprecedented internationally. It causes a lot of confusion. People cannot quite understand why we have this two-phase system and these changing things.

Secondly, and this is quite a key point, it has weaknesses in the accountability. In the current regime, you as a Committee quite rightly want to hold, do hold and should hold the organisation to account through its board, its chair and its executive, yet there is no line that flows from your scrutiny or the strategic steer through to those individual decision-making powers—literally no line. I am legally not permitted to have any involvement in those decisions. If you like, there is a broken link of accountability there. That is all this is trying to address. It is saying, in the context of strategic steer, how do we ensure that the individual panel making decisions take into account that decision-making framework?

This is subject to consultation—it is a DBT consultation, and the CMA will respond. It has been discussed quite extensively with the board but, broadly speaking, I think we are aligned around saying that we think it is a challenge. It is a system that we find very difficult and businesses find very difficult to understand, particularly global businesses. We think that lack of accountability through to Government and Parliament is a challenge, and that would be fixed.

The other thing I would flag is that one consequence of that two-phase system is that it is quite slow. One of the biggest criticisms that we get, certainly from international peers, is about decisions. You might make brilliant decisions, but if you make them slowly, every day costs and every day makes the UK less attractive as an environment, so we have to speed up that pace.

Finally—and again I stress that this is a Department for Business and Trade consultation, not a CMA consultation, although we will respond to it—broadly speaking, in terms of the proposals that DBT is consulting on, you are looking at the model that we have been operating very effectively within the digital markets regime. You will still have individual decisions taken by individual experts and we will still have the need of those same individuals on the panel—we will still have the need of all those things.

We will still have independent decision making, but the crucial distance—a subtle but crucial distance—is that they will not be taken in isolation of that framework through the strategic steer. It will put in place what you have in the digital markets regime and do not have in the mergers and markets regime, which is a clear accountability through the board and executive back to Government and Parliament. Our view, and the board's view, is that this is actually a good consultation. I am sure that there will be many different views expressed and many different responses to the consultation, and I am sure the Department ultimately will take its decisions, but that is the board's view.

Q25 **Alison Griffiths:** Given that CMA staff wrote part of that consultation, is that sufficiently independent? With the benefit of hindsight, how would you have made it more independent and enabled us to get to a scenario where we do have the correct oversight?

Doug Gurr: To be very clear, this is a DBT consultation. Obviously, as you can imagine, the DBT talked to the CMA in advance of its consultation, but it was not written by CMA staff; it was written by the Department. It is the Department's consultation. The CMA is one of the people being consulted, and we will formally respond to that consultation with our view, but this is not something that has come in. It is the Department's consultation exercise, the Department's drafting and all those sorts of things, just to be clear on that point.

As we said at the time, we actually welcome the fact that the Department is consulting on this. The panel system, in many ways, has served us well, and the implementation has been very strong, but it does have those weaknesses. It is very hard to explain, it is very confusing for businesses,

it has weak accountability to Government and Parliament, and it is slow. If we can improve those things without in any way diminishing the criticality of objective fact making and independent decisions, but within the context of that framework, I think—and I know the board agrees—that would be a good outcome. We will see. It will be up to the Department to make its decisions when it sees the consultation response.

Q26 **Chair:** If Amazon, or any part of Amazon, is considered for strategic market status designation, will you recuse yourself from that decision or oversight of that decision?

Doug Gurr: We will take it on a case-by-case basis.

Q27 **Chair:** Is that a no?

Doug Gurr: We will take it on a case-by-case basis, so I cannot answer that—that is always the way we look at these things. At the moment, every single piece of advice I have received has said that there will be no reason to recuse.

Let me also come back to an important point: if you look at the way in which the regime is structured, we create what is effectively a digital market sub-committee that looks at each individual case, and that is, by statute, majority non-exec. I do not sit on any of those, and I have not sat in any of those groups. I chair the overall board that provides the steer, and those individual decision-making groups are required to take into account the steer that the board gives. That may change, but there is nothing that currently says I could not. In practice, we would see on a case-by-case basis.

Q28 **Chair:** You will understand why we are concerned by that answer.

Doug Gurr: I fully appreciate the concern, and I fully understand the reasons. Mr Maynard was very clear on that, and for good reason, so therefore I would look at it on a case-by-case basis. Again, I am acutely conscious that when we look at potential conflicts, it is both the reality and perception. I could certainly imagine—I do not want to speculate, because it depends a bit on the cases—a situation where, if the perception was a problem, it would of course be better for me to step back from that. If that was the case, that is of course what I would do.

Q29 **Chair:** I think I can tell you now that the perception would be a problem.

Doug Gurr: That is very helpful feedback; thank you, Chair.

Q30 **Chair:** So would you recuse yourself from that decision?

Doug Gurr: As I say, we would look specifically on a case-by-case basis. Remember that the SMS designations are about a particular organisation in the context of a particular digital activity, and we would have to look at that. I hear the feedback loud and clear, and it would be challenging in that situation for me to sit on one of those sub-committees. I will leave it at that.

Q31 **Chair:** How would you characterise your relationship with Mr Bezos today?

Doug Gurr: As I mentioned before, I am more than five years out of the organisation. I have not had a conversation with Mr Bezos for that time, and I have no financial links. I would say that I am a distant ex-employee—how about that?

Q32 **Antonia Bance:** You have worked for two noted anti-union companies in your time, Amazon and Walmart. Would you say that you bring that anti-trade union attitude to this role?

Doug Gurr: No, I would not. I have worked with more organisations with unions than organisations without unions over my time. I have to say that I have personally always had a really good experience with unions. I work with several unions now in the Natural History Museum, and it is a very good, open and constructive conversation. I think unions do a genuinely fantastic job, and they are a really important part of our operation here. Different marketplaces around the world have different relationships, but personally, my experience has always been positive, and I would hope that it continues to be positive. So no, I would absolutely not do that.

Q33 **Yuan Yang:** On the topic of balancing regulation and growth, you have described how a big barrier to business investment in the UK is lack of predictability of the regulatory environment. As my colleagues have mentioned, given the drop in the last year not just in overall decisions on mergers, but in the number of investigations proceeding through the stages, do you think that you are at risk of conflating stable and predictable regulation with less enforcement of regulation?

Doug Gurr: That is a really good question, and the short answer is no. To some extent, our mergers work is very much demand driven. We are not in control of that; it is up to what is going on in the global markets and how much activity there is. I think our expectation in our forward planning is that we will begin to see an increase in the number of cases coming forward this year, and that is primarily because we simply think there is an increase in the amount of M&A activity globally, and it is inevitable that there will be a flow through to more of that. Our expectation is that the workload is going to increase there, and we will look at it. No, I do not think there is anything in that.

Q34 **Yuan Yang:** On a broader philosophical or economic principles level, do you think there is too much competition and market regulation that stifles growth in the UK right now?

Doug Gurr: That is a good question. First, we passionately believe that competition is good for business growth. We see that in my day job at the Natural History Museum. We believe in competition in evolutionary terms, we believe in competition in sporting terms and we absolutely believe in competition in business terms. It is a good thing to have and it always helps. It is not always comfortable, but it is a good thing to have. We will always strive to encourage the maximum level of competition. I think we should always challenge ourselves. Can we do more? Can we move faster?

As I say, on the specifics of the mergers activity, that is to some extent led by what is happening out in the marketplace and how much activity

there is. I think where there is scope to do more and to make a more significant contribution to economic growth and household prosperity is to some extent in the markets work. We feel that we can do more there and that we can move faster. We have not talked particularly about the organisational transformation work the CMA has been doing, but some of that is about the ability to be a bit more fleet of foot: perhaps being a bit sharper, moving to conclusions faster and not necessarily having to take so long, because I think that is a challenge.

Again, it is looking at what those cross-economy barriers are. You will have seen that we have been doing a lot of work on the question of how we go from start-up to scale-up, and that often seems to be where the blocker is. If you look at our start-up economy, it is really good, but businesses struggle to get to that next stage. Very often that can be facilitated by something like, "Well, you know what, I just got that contract to start selling into the NHS or to selling it to the Department for Transport".

That is why, if you look at some of our competitor economies around the world, they are perhaps savvier than we are about asking, "How do we give a bit of support to a scaling business?". I think that one of the ways we can support it is through where the Government has some levers. That is why we said one of the five priorities of our plan this year is to make sure that beyond the mergers work we do—beyond the stuff directly in our control—we lean into helping to provide advice to Government where we think there are things that could make the economy move faster.

Q35 **Yuan Yang:** To go back to your original point on what you are trying to maximise, you stated that you want to maximise business investment, subject to not eroding the current level of consumer protection or competitiveness. Does that suggest that you think that where the UK is right now in terms of our level of consumer protection and competitiveness is the right fixed point, and that what we need to do is maximise that other part of the equation?

Doug Gurr: That is a great question, thank you. No, I think we need to do more. You have seen the same data as I have, and there is a significant level of consumer detriment in the UK; we know that. That is not great. Again, if you look at our strategy—I hate to refer you back to it, but that is why we said it is about using the tools of competition and consumer protection to drive both economic growth and household prosperity.

I will give you an example. Actually, if I may, Mr Maynard, I will go back to fake reviews, because I think they are a really good example of where you sometimes need a regulator to make an intervention. We know that reviews are highly valued by consumers in making their purchase decisions. I speak for the organisation that I worked for for a while, which kind of invented the concept of reviews; we know they make a difference. We also know that because they are so effective, there has been the very large, challenging problem of fake or misleading reviews and all of that—that is a global issue across all of these things. What is interesting about that is that I am sure that was known by many organisations, but it took a

regulatory intervention because individual organisations, for good and sound reasons, obviously don't talk to each other. They are all worried about not wanting to act unilaterally unless someone else does, so you sometimes need the regulator to step in.

If you look at the impact of that step, it has been really interesting: it is obviously good for consumers because they can buy with more confidence the more they know the true things. Interestingly, we have had really strong and positive feedback from small businesses, particularly the Federation of Small Businesses, saying, "You know what, if I am running a small business, it is catastrophic for me if I start to get negative fake reviews or if one of my competitors gets them," so they really encourage it. I think—and this is the feedback—that it is actually also good for the marketplaces because they genuinely don't want it, but they needed that nudge to get there. Back to your broader question: are we doing enough on consumer protection? I think we need to do more.

Chair: Let me bring in Sarah Edwards, because we want to drill into this question of the balance with consumer protection.

Q36 **Sarah Edwards:** We are quite interested in this, and the Government have given a useful and helpful prescription that the growth agenda is key and paramount. Therefore, regulators including the CMA are being encouraged to look at how they refocus. You have a strategy, but what we want to understand is how you think the CMA is going to wrestle with the pro-business agenda while also dealing with this consumer protection requirement that we know is taking billions out of the economy at the moment.

Doug Gurr: Thank you, Ms Edwards. That is a great question. You often hear this narrative about trading, or giving up, consumer protection for growth. There are cases where you can argue that that is the case; there are many cases where it is not. We tried to articulate in our strategy that those two things are interlinked. If we are clear on the strategy, we will use our tools of competition and consumer protection to drive both growth and household prosperity.

If you take the question of household prosperity—how can we put money back into our citizens' pockets—you can do that through direct consumer protection. If you address issues around drip pricing and unfair countdown timers, and so on, you put money back into consumers' pockets. That is a good thing for growth because, obviously, we have talked about business investment and access to markets, but one of the other really powerful levers is this: if consumers have more money and more confidence to buy, they will spend, and that will drive business and growth. Those two things are not necessarily in conflict, but you need to unpick that.

There is work we can do directly through consumer protection that in turn supports growth. Obviously, we also try to support household prosperity by growing the economy. We all know that if the economy grows, the tax take increases, and we can choose either to return money to consumers through tax cuts or to invest in vital public services. I don't think I need to

tell anybody around the Committee how much we need to invest in those two areas.

That is why, for me, it is a little more subtle than just asking how you trade off the two. It is about finding those areas in which the right intervention can benefit citizens directly—this is the most important point—through consumer protection work and indirectly through work that drives economic growth.

Q37 **Sarah Edwards:** Do you think that "pro-business" can be a euphemism for deregulation? Do you subscribe to that concept?

Doug Gurr: It is sometimes difficult. One of the things I have learned, slowly and painfully, over my career is that there is a lot of devil in the detail. Very often, it comes back to the point that it is not just what you do; it is how you do it. We might have a perfectly identical regulatory framework that looks exactly the same and sits within the same legal framework, but there can be an enormous difference in the impact on citizens, consumers and businesses, depending on how you execute it.

If I take one very simple example, the single biggest piece of feedback we get from businesses is about pace. The reason that matters is this: imagine you have a transaction—there is a time cost of money; I don't need to explain that to people here—and every day that goes by costs. It costs because of advisers' fees and delayed transactions, and it really causes a problem. One of the most important things we can do to reassure businesses that the UK is a good place to do business is just by making our decisions quicker.

That is why the 4Ps were brought in. It is why we made public commitments to accelerate our pace. It is why we have committed to publishing—which we will do every year—data on how fast we make decisions and make the goods. If you are not careful and don't fully understand the consequences of this, you can make an enormous difference—not necessarily by deregulating, but just by implementing better. That is one of the things I am trying to encourage in the organisation—and, by the way, I don't think it needs a lot of encouragement. I think Sarah and the team have done a good job on this.

Q38 **Sarah Edwards:** If I could just pick up on part of the strategy that you have, which is running from this year to 2029. Part of that is about promoting competition and spurring innovation, but it is also about levelling the playing field for businesses of all shapes and sizes to innovate and grow. In your mind, what do you think are the top three issues affecting—let us call them SMEs, at the moment across the country?

Doug Gurr: Great question. I can certainly give you two. One of them—I hate to come back to this—is the point about public procurement. I meet a lot of organisations that are really interesting, innovative businesses just starting to scale. When I talk to a company that says, "Look, we were born in the UK, we grew up in the UK, but we cannot sell in the UK; we can only sell in the US," they are talking about selling into those things. If they could just get that contract with the MOD or that NHS trust, that would

reassure their other customers, because they find it very hard. So for me, it is about how we open up public procurement to make it easier for SMEs and innovative start-up businesses to get a foot in the door. Of course we understand that, but as I say, that is an unintended consequence. If you talk to anybody who has gone through that, they will tell you what the reality for somebody is. By the way, I have experienced that from the other side. I run an ALB and when we go through procurement and look at the list of people who we can use you think, "Really?" We have created that. That is thing No. 1. Again, referring back to Miss Griffiths, there are situations where we can open up data assets. That is a very interesting area where you can begin to build innovative services on top of that. That is a great example whereby you don't want those things held only by large incumbents. You want to open those things up. We think that is a big area. Those are two examples.

Q39 **Chair:** You talked a lot in those answers about feeling businesses' pain. Can you persuade us that you are feeling consumers' pain? Do you have a sense of how much prices have gone up for consumers on the basics like butter, milk and bread over the last five years?

Doug Gurr: Yes, I am acutely conscious. We all feel that in our daily lives. We all see that in our citizens. I have spent the majority of my professional working career dealing with consumer-facing organisations. We all have different views on those, but the reality is that one of the most important questions you have to ask yourself in those organisations is, how do you get to the reality of the frontline consumer experience and the frontline employee experience? I have always been a great believer in asking how you create those mechanisms.

Part of the challenge, as we all know, is that as you go through a career, the longer you go on, the greater the risk that you become distanced. People tell you what they think you want to hear, and you have to find a way of reconnecting. In my supermarket days, I was out there. I sat on the tills doing bag packing and talking to customers. That is how you stay connected. In my delivery days, I went out and dropped parcels and delivered and talked to customers. You do that.

Q40 **Chair:** How will you do it now?

Doug Gurr: That is what we are doing in this role. That is why we created a direct consumer council, so we now have an organisation that brings those people in. So, in parallel with listening to the world of business through the Growth and Investment Council, we have a consumer council that includes powerful advocacy groups. It includes Which?, the Consumers' Association and Consumer Scotland. That is representative of all four nations. I also talk to people. Look, I live up in Yorkshire. It is not a particularly affluent area. When I am out there fell running and chatting to my fellow mates, they tell me what it is like. You have got to stay grounded, as you rightly say, on the reality of people's lived experience. I don't think I need to tell the Committee, but one of the reasons I decided to apply for the permanent role is because I genuinely think this is an opportunity to improve the lives of UK citizens.

Q41 **Alison Griffiths:** I want to move on to the criteria and principles that you apply when you are determining on what to intervene. Can you start with overarching principles and then get down to some more specific criteria that you would address?

Doug Gurr: Great question. I will stay on consumer, if I may, but I am very happy to talk about that because I think it is a fair challenge, given my business experience. If I think about where would we choose to investigate or make an intervention, we have three intersecting questions. First, and perhaps most important, does it matter to citizens? Is this a topic on which people are spending? Is it, if you like, a large ticket? Vet bills, childcare and dentistry are the things that matter to citizens.

That is point No. 1. Point No. 2 is, do we think there is a problem? Is there some evidence that suggests the market is not functioning effectively? There are many things that can cause markets not to function effectively, such as lack of information. Then, thirdly, is that an area in which the CMA has a toolkit that can make a difference? We look at all of that. One of the things I observed is that, as I say, in our mergers work, it is reactive.

In something like our consumer protection work, and our markets work, we have the opportunity to be proactive. Therefore, we need to go after those areas on the consumer protection side that, as I say, matter to customers because they are spending money. We think there may be a problem here that is susceptible to challenge and, crucially, it is something we can do something about, either through the lenses of consumer protection, drip pricing or toolkits.

Similarly, on the market side, we are saying, "Right, how do we align in those areas that matter to the UK?" We have worked hard to align behind the IS-8. That is why, as you see, we have launched investigations into civil engineering. Again, we know it is important; it is an important area. We are going to spend a lot of money on that. There is some evidence, which you may have seen in our interim findings, to suggest that this market is not working as effectively as it can. That tends to be how we think about it.

Q42 **Alison Griffiths:** Once you have picked an area, what criteria are you then going to apply to determine how to take it forward?

Doug Gurr: Again, if it is market tools—which is often what the tool you use is—that is one area that is part of the DBT's consultation. At the moment, it is quite a rigid approach; you have to make a decision without getting into the technical details—is it a market investigation or a market study? There are pros and cons of these approaches, but broadly speaking, the spectrum is that you have more powers to demand information and so on, but it takes a lot longer, and once you have started down a track, you cannot pivot from one to another, and that is inflexible.

Part of what the DBT is consulting on, which I think broadly seems to have been welcomed, is a slightly more flexible regime that enables us to move faster. It may well be that you get a certain way in and it is pretty clear

what the issues are, you have seen an analogous situation, you know what the issue is and we can move fast and that sort of stuff.

Q43 **Alison Griffiths:** Is that something that you need the DBT to approve?

Doug Gurr: At the moment, the regime is set out in statutory legislation, so it would require legislative change to give us the flexibility, and that is a constraint. There is a certain amount we can do, and there is a certain amount we are already doing and have done through the 4Ps framework, but to get to a point where you can actually act at the kind of pace you need to and start to deliver benefit faster will require that. As I say, I think the board was pleased to see that the DBT is consulting on that change.

Q44 **Alison Griffiths:** Do you feel that you are intervening as much as you need to, or do you plan to do more?

Doug Gurr: I think you should always challenge yourself to say, "How can you do more?" If you look at what we have set out in the plan for this year, of course there is work around each of the verticals—the day job, if you like—subsidy advice, the Office for the Internal Market and mergers and markets, but there is also a real commitment to put time and energy into organisational transformation. That is a continuation of the 4Ps framework, but it is primarily designed to make sure that we can deliver more. We think that there is more that can be done, but we are, of course, hugely conscious that we don't want to do more by just throwing even more resource at it; we want to do more by holding the resource.

Q45 **Alison Griffiths:** I suppose that is an internal piece, but you said that you should always look to do more, and I was asking specifically about interventions. What have you not intervened in that you think you should have been?

Doug Gurr: I would not want to get into the specifics, but if you look at the CMA, in some ways it represents extraordinary value for money in the sense that every pound spent on it generates £24 back to the economy. That is a pretty phenomenal return, and that does not count enforcement work that brings in fines. The whole cost of the CMA this last year was covered by fines—that is money that came in that is not counted in that.

At one level you could say that the CMA is extraordinary value for money, but I think, for me, the challenge, which we have discussed with the team, is that we still know that there is consumer detriment—I think that is where you started, Chair, in your framing. We now have powers and we want those to move faster, but we want to do it in a way that has effects across the whole economy. We are constantly thinking about what the big cross-cutting issues are where we can have intervention.

Trust me: we get an enormous number of requests all the time saying, "Will you look at this? Will you look at that? Will you look at the other?" That is why I think your question is really well framed. The question has to be: how do we make sure that we use the resource we have and the appropriate level of resource in such a way as to get the maximum possible benefits? That is why, if you look at the work plan we have set

out for the coming year, we think we have done a reasonable job of balancing that. But we are consulting on that, and we are listening very carefully to the consultation coming back, and if that suggests that there are areas we are missing or things we should look at, of course we will look at that and hopefully course-correct before we commit to this year's work plan.

Q46 **John Cooper:** You touched on the difficulties that it creates for business when CMA takes a very long time to come to decisions. Can you tell me a bit more about what you plan to do to speed that up? I wonder if you could also specifically reference the likes of the monoliths—the Amazons and the Googles of this world—because there seems to be a particular problem there. The fake reviews issue, which you talked about, took four or five years to come to a decision on. As a layman, that would seem quite an extraordinary amount of time.

I declare an interest, in that my wife works for Associated Newspapers. I know that newspaper publishers are very concerned with Google and are trying to seek remedies for fair payment as they see it. CMA seems to have kicked that back by at least a year now—that is a very long time. What is the problem with the pace with these very big organisations that they face?

Doug Gurr: Thank you for the question. There are two parts of it. On areas like mergers, we have clearly laid out faster KPIs and a faster turnaround pace. We have already published that, we consulted on it, and we will report and be held to account on that. Perhaps this is a good moment to turn to the question of the digital markets regime because, as you rightly say, there are many situations—this is not a UK-specific case—where a lot of the issues can drag on for years and years. You see that in other jurisdictions and you see that when you go through court systems and elsewhere.

I think—this is from before my time and I take no credit—the new digital markets regime is genuinely a much better approach in the following sense. If you look at, for example, a question that you rightly flag around the two areas we have looked at—search and search advertising, and mobile operating systems—we know they are really important areas. We know, for example with mobile operating systems, that this is the gateway for a lot of app developers.

If you look at the UK app economy, it is 1.5% of GDP, which is three times the entire agricultural industry, but you have this question about large organisations that may or may not have what we call strategic market status. The regime there is quite interesting because, first of all, it is actually, by statute, pacey. We opened investigations, we have already concluded all three investigations, and we have made decisions to designate Google on search and search advertising and Google and Apple on mobile operating systems.

I think you touched on this on your framing, but the crucial thing is, "What does that designation mean?" It is not, in itself, a presumption of harm,

but it is a five-year period that says, "Right, through a lot of consultation, including with the news industry and many other interested parties, we have heard what we think the issues are." That then gives us an opportunity to sit down with the parties and effectively say, "These are the issues we have heard. What can we use as remedies?" We had the opportunities to make what are called pro-competitive interventions to try to bring more competition in. We had the opportunity to make conduct requirements legally binding to do that, and we had the opportunity to accept voluntary undertakings. Within that toolkit, we can move fast.

In all those areas, lots of issues have been identified. We will work on which ones we do first, but we already have undertakings on mobile to do stuff. That is unprecedented in terms of the pace. The Chair opened by saying, "These are not legally binding; is that enough?" The answer is actually that the beauty of the regime is that it is outcomes-based. We have defined what we think the areas of concern are. We have a monitoring framework, we will monitor those things and we have looked at the voluntary conducts. If they do not work, or they are not conducted, we come in with conduct requirements.

Q47 **Chair:** How long will it take you to assess that?

Doug Gurr: It will be a constant, ongoing thing and, in that case, we will be able to assess very quickly because we have commitments for when those things will be done. We will be able to look very quickly at whether they have done what they committed to do. Crucially, it is an outcomes-based process.

Q48 **Chair:** What is "very quickly" in your world?

Doug Gurr: On the individual cases, often the lead time is how long does it take if it is a technical regearing. But we are talking about undertakings that have already been taken that I think you will see landing in certainly months, not years. That would be the only regime in which you see that pace.

Q49 **Antonia Bance:** Earlier, you described the DMCCA as a "win for the UK". Would you like to expand on those comments?

Doug Gurr: The reason I think it is a win for the UK is because it is a good example of a pragmatic regulatory framework that will do two things for the UK. One is that it will enable us to address any potential concerns more quickly, to my point, than you will see elsewhere. The issues that that we have identified in the investigations are not unique to the UK. You will see the same issues in Brazil, Australia and North America, but we are able to move faster because we have a more flexible regime than the other regimes we have seen.

The second reason I think it is a win for the UK is because in the conversation we have had with parties—this is part of what has been interesting to observe through the process—they are saying, "You know what? If the UK is the kind of regime where we can have a sensible grown-up conversation, we can understand the issues and we can suggest

regimes that will encourage us to invest and work in the UK as opposed to going elsewhere." We have seen evidence of that. By the way, for example, we made three designation decisions and none was appealed. That is very unusual. In most jurisdictions, you would automatically appeal and fight it in the courts—it would take ages. What is interesting in the feedback of parties, and as we can see in their public statements—of course, I am not saying everyone will love everything we do, but they understand—is that this is an area that can work. That is why it is a win for the UK.

Q50 **Antonia Bance:** Do you plan to start using the powers given to you under the DMCCA fully any time soon?

Doug Gurr: We have used those powers fully. We have launched three investigations. We have made three designation decisions. We have passed the appeal period. We are now into remedies. That is a full use of the powers. By the end of this quarter, the board will consider what we might do next.

Q51 **John Cooper:** One of my concerns about not just the CMA, but other regulators, is that they are paper tigers. On paper, they have tremendous powers, but if they do not use them, those simply sit there and do not actually affect behaviour in the marketplace, whatever that may be. Those undertakings, therefore, are not enforceable in any way, shape or form. How do you escalate? Should you not be more proactive in deploying the big stick of the Digital Markets, Competition and Consumers Act?

Doug Gurr: I am not sure I would fully agree with that characterisation. Just in the past 12 months, we levied £130 million of fines—directed back to the Exchequer—in cases where we had seen behaviour that contravened the law. That is not a light-touch approach; that is a significant impact on organisations. We are very clear: the rules are the rules—if you do not play by the rules, we will come in and enforce. We have done that. That is always available, and it has been acted on and at pace.

On the consumer protection side, as I mentioned, we launched and issued in November, as our first phase, advisory letters to 100 businesses. We are taking enforcement action against eight businesses, and we have given guidance. That is not going slack. It will resolve issues across the entire economy, because it is 14 different sectors, not just on those things.

Under the digital markets Act, we have been really clear. We have a number of tools. We can consider voluntary undertakings, but we are very clear that this is not one and done—if you have made the undertakings, you have to demonstrate to us that you follow through on those; and if you do not, we will come to put in legally enforceable conduct requirements or make investigations. The toolkit is all there. The reason we might choose to take a voluntary undertaking is that we can move faster. If the voluntary undertaking works, that is great; if it does not work, we come straight in with the next stage.

I therefore do not accept your characterisation. Across the enforcement area, I know the team works incredibly hard, and on the consumer protection area, all those powers are there and all those powers have been used. By the way—with your permission, Chair, I will put this on record—I have to say that in the 12 months I have been at the CMA, I have been really impressed by the quality and commitment of the staff there. They are mission driven, they are passionate and they are very expert. They could all go and work somewhere else, but they do not, because they believe—

Chair: We will see if they share that opinion in a moment—

Q52 **John Cooper:** On that point about how they could go elsewhere, given the money that some of those people are being paid, they could obviously make a lot more money elsewhere. Is there not a danger that you are seeing a brain drain, and are being left with a lot of relatively junior people? I do not say that in an offensive way, but relatively junior people are facing some big corporations with some big, high-powered lawyers.

Doug Gurr: Anyone who has run a public sector organisation—I run one—is of course aware that we are not capable of matching this. Most of the people who work for us could choose to go somewhere else to make more money, but the data is not suggesting that that is the case. We are not seeing a brain drain—absolutely not. That is not to say that we would necessarily say to any young person, "You should come to work for an organisation forever," but for me, it is—I genuinely want to put this on the record—a tribute to the commitment of the staff, because they could have options. The reason they stay to work at the CMA is that they believe in what the CMA does. That goes back to that point of wanting to get up in the morning, look yourself in the mirror and say, "Actually, I believe I am generating value." That, for a lot of people, is worth a lot.

Q53 **Chair:** You will accept that there was quite a wide level of surprise that both Google and Apple did not face legally binding conduct requirements. The argument you are presenting today is that you are, basically, going through a staged process of escalation. You are starting with, if you like, the more simple measures first. I suppose the reassurance that we want is that, as chair, you will not stand in the way of a full escalation in a short period of time, if that is what is required to induce better behaviour from these companies.

Doug Gurr: We have been really clear with the counterparties, publicly, and in all the consultations, that the point and—if I may—the beauty of the regime is that it is outcome-based. Under the alternative regimes, you tend either to go through a long legal fight about splits, or whatever, or you try to change something and it does not work. We have had long experience, not just in the UK but elsewhere, of regimes where you look at a digital activity and say, "Right, we're stopping that bit," and then the problem bubbles up somewhere else.

The beauty of this regime is that we are saying it is not about the specific conduct; it is about the outcome, including the outcomes we have taken,

for example on mobile operating systems. One of the biggest concerns we heard in the feedback was about fair ranking, and the risk that someone has their organisation and is on the app store, which they need for their distribution, but they could get kicked off or whatever. We have taken voluntary undertakings because they are faster. Those voluntary undertakings are the fair ranking and those sort of things. If they do not work—we have been really clear with the parties about this—we are straight in there with conduct requirements; that is the whole point.

Q54 **Sarah Edwards:** I am interested in the resources of the CMA. It has had a voluntary exit scheme due to a bit of an issue with the finances, but with the focus on making sure that consumers are protected, that there is business growth, and that there is a new strategy that will go forwards, do you think that you are resourced enough? I think that you have about 1,100 staff—is that correct?

Doug Gurr: That is correct.

Q55 **Sarah Edwards:** How does that feel in terms of tackling these beasts? Some of them are companies such as your former employer: extremely large companies with extremely complex operations. How is that going to work? How will you make sure that our constituents, the British public, get the best that they can out of the CMA?

Doug Gurr: That is a very fair challenge. You could look at this situation and say, "Look, every pound you are investing in the CMA gives you £24 back to the economy," and that is before we even touch on the fines, so you could very easily come back and say, "You know what? Let's just have 2,000 people—let's do more." But we are acutely conscious that we are in very challenging times. Nobody here is saying that we want to come in and ask for more. We have challenged ourselves to say how we can actually improve the effectiveness. We know that we want to do more. We see the demand coming, with more mergers and more opportunities around this. But for me the question comes back to the fact that I am really pleased to see the organisation committing to organisational transformation. It has invested very heavily in answering a question that all organisations are facing: do we need 20 people to do this; could we get 80% of the result and move faster with 10? There is that level of asking, practically, how we can get better results, which I think is a good, healthy process for any organisation.

The other area that I am pleased the organisation has invested in is obviously technology. We have an impressive, capable AI team that is using all sorts of interesting tools. That helps to solve the challenge that we talked about earlier: how do you get the citizen's voice, the consumer's voice, in the room? In the past, it was difficult because there are so many. Sometimes you get it; it was extraordinary that when we did our vets market investigation we had over 50,000 responses to the consultation—people really care about that. For evidence gathering in all sorts of areas—we talked about bid rigging—we now have very sophisticated tools that can really accelerate the pace at which a team can operate. For me, that is part of how you square that circle. The first call should not be to come

back and say, "Give me more budget," and take more taxpayers' money. That is not the first call. The first call should ask, "How do we use those innovative tools to do more?"

Q56 **Sarah Edwards:** In June, we heard evidence from Emma and Hayley of the CMA. One thing they mentioned was that they thought they could do approximately three to four market investigations a year. Is that with this new artificial intelligence technology deployed to help to analyse huge amounts of data, or is that prior to that deployment?

Doug Gurr: Again, I will not speak specifically for Emma and Hayley. We can write to you to confirm this, if it is helpful, but I suspect what they were giving you was as today, because you never want to over-promise and under-deliver in these areas. We are absolutely challenging ourselves, particularly in areas like investigations, to ask, "How can we do more?" That is a combination of asking, "Do we have to do it quite as exhaustively or quite as rigorously?" I think there are many opportunities to do these things faster, with a lighter resource model, and still get the consumer or the market benefit we want to see.

Q57 **Sarah Edwards:** In a five-year term, that would not give you very many, if that speed of things was going to give the public a better indicator of where you were focusing and were seeing some of the remedies. You are one of the regulators who has very strong powers to be able to make that change.

Doug Gurr: There are two parts to that. First, most of my career has been spent thinking about how we can do more, faster, better, and so on. I know that Sarah and the team very much share that desire to become more effective, if you like, on that. The other bit—by the way, Emma and Hayley do a fantastic job on this—is being thoughtful about how we make an intervention that has a really big cross-economy benefit.

That is back to my point that, particularly in this area, we do not want to just solve a problem for one sector or one organisation; we want to use that whole suite of a combination of guidance. We shouldn't underestimate the importance of just giving guidance—advisory letters, sometimes all the way up to formal enforcement—to many organisations that want to do the right thing but may not quite be aware. We have talked about drip pricing and misleading countdown timers; there are other things like that that we see across the whole piece. That is why, again, I wouldn't necessarily come back to how many you do, numerically. It is how big those things are, how important they are and how much they cut across the whole economy. That is where we get value.

Q58 **Sarah Edwards:** One final question from me. It goes back to the question I asked before: when thinking about the pro-business agenda and what is impacting businesses, do you have thoughts on where those potential market investigations might be, and, in some of the most prominent areas where we know there is failure, can you share any thoughts on that? I have a thought on one of those, but I would love to hear yours.

Doug Gurr: I do not want to get into the specifics of particular areas. We would hugely welcome any thoughts you can provide us because a lot of our intelligence comes from listening—and listening, obviously, to members of the Committee and others, so please do let me know any thoughts that you have in any way, shape or form. I will absolutely look at that. In my response to Ms Griffiths, I talked about the frameworks that we use, but we are completely open to ideas. That is why, when we put out our annual plan—we will be clear about this—those are for consultation, because we want to hear feedback and make sure that we haven't missed anything.

The only other thing I might add is that we are trying to make sure that we align on what we are hearing in terms of industrial strategy aids. Those are the areas where we think there are opportunities, whether that is in pharmaceuticals or creative industries. I think we probably have a focus towards those areas, because we think that that is important and we want to align with the broader Government agenda there, but my short answer is that we would love to get your thoughts on that.

Q59 **Chair:** Thank you very much. I have a final question. There was obviously a pretty unfortunate budgeting error that led to the necessity of a 10% staffing forecast. The last staff survey that we have from the CMA shows that just 27% of your colleagues want to stay working with the CMA for at least the next three years. Has that number gone up or down in the very last survey?

Doug Gurr: I confess that I will have to write you to confirm that; I do not know whether that has gone up or down. On the budgeting error—to be clear, this was before my time—

Q60 **Chair:** Indeed. But I am concerned about two things: one, how you will assure us that that will not happen again; two, what you will do to put the staff morale numbers up—a lot.

Doug Gurr: Thank you. As I say, this was prior to my time but, on the first, I do know that we have made a number of changes since I've been there. First, we have brought in a new and, I have to say, very capable COO, Daniel, who I think is outstanding and who has changed an enormous amount in terms of the reporting, the grip and all those sorts of things. We have also significantly increased the level of audit through the board, the audit and risk committee and so on, and we have been very comfortable over the past 12 months that we have seen no repetition. We get good data and it is much more heavily scrutinised. Having sat on an enormous number of audit and risk committees, I am pretty comfortable now that all those mechanisms are in place. It is probably also worth saying that, by my understanding, they were effectively hiring ahead of the curve because they underestimated the vacancy rate, so, effectively, we've just got back to about the right norm level of resource. That has now been stable for a while.

In terms of the staff morale, we will follow up on whether that has gone up or down; I have not looked at that in detail. Having looked at an

enormous number of staff surveys, I would say that, first of all, the numbers that I have seen are not particularly out of line with what I see in many Government organisations and public sectors in terms of most of these questions, but I take your point that, at face value, that is a number that we should absolutely look into. We are obviously tracking it very carefully. As I understand it, that survey was certainly taken around the time that this was going on; there was a voluntary redundancy scheme and so on. That is never helpful. I also think—

Q61 **Chair:** It would be bad if it's got worse.

Doug Gurr: It would certainly be something that we would want to look at very carefully, as I say, so we will follow up on that and see where the next data is—I will follow up specifically on that. The other thing I would say is that this is a period when the organisation has gone through quite a lot of change, and that is always unsettling. That is something that I know the team are looking very closely at.

Chair: Thank you very much for your time today. That's it. You've been particularly candid with us. You've given us full answers to everything; we really appreciate that. The Committee will now meet in private to consider its report, which we will publish in the next 48 hours.