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BANK OF ENGLAND
LONDON EC2R 8AH

J P Charkham
Adviser to the Governors
071-601 4497

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Sir Adrian Cadbury
Rising Sun House
Baker's Lane
Knowle
Solihull
West Midlands B93 8PT

My dear Adrian,

As you know, I cannot come to your meeting on 11 September because I shall be in the United States, but I have read the papers and would like to offer the following comments which you may care to circulate. (over!)

I think, if I may say so, the draft work programme and draft framework are admirable and I am wholly sympathetic to the approach you have adopted. My comments are on relatively specific points.

On paper (91)5, item 2(d), the training initiative is making good progress and a syllabus has now been circulated to the members of the group. The group incidentally is chaired by Mr Hugh Parker and tends to meet at the IOD rather than the CBI, though the CBI is represented on it. Its formal title is "Director Development Steering Committee", but I should be inclined to call it the Parker Committee for ease of reference. The training incidentally is aimed at all new directors, not just non-executives, on the grounds that almost all non-executives were executive directors at some point earlier in their career.

On 2(f) on the same page, I must to record that I have now reluctantly come to the view that legislation to make independent directors necessary for public companies would be helpful. I can go into this at a later meeting if you wish, and explain my position.

On paper (91)6, paragraph 4, I think that shareholders might say more about the appointment of directors if they knew more about them at the time they were asked to vote. Although companies do now publish information about directors, or some of them, I believe it would be helpful if the information were attached to the voting cards including, in all cases, age.

On paragraph 5, my own view is that the present restrictions are not too onerous and that any institution that wanted to put up candidates for the board could do so: it is quite significant that this is rarely if ever attempted, even in cases where institutions do have misgivings about the composition of the board. Perhaps there is a case for this being done at the company's expense if n% of the shareholders support the nomination. On a practical point, I do not think it would be easy to find candidates who would feel comfortable being pushed onto a hostile board after a contested vote, especially if they are the only one.

Yours
Travis