

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 5TH JANUARY 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Sir Robert Anthony Clark, D.S.C.
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Lord Weir

The Minutes of the Court of the 22nd December 1977 and of the Meeting of the 29th December 1977, having been circulated, the former were confirmed and the latter were approved.

The Governor commented on the weekly Figures and the state of the markets.

A statement of Official Reserves at the end of December was laid before the Court.

The Economic Report for December was introduced by the Governor who invited Mr.Dow to speak: a discussion followed.

W. G. Humphreys
Secretary.
12th January, 1978

Len.

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 12TH JANUARY 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

Sir George Adrian Hayhurst Cadbury
John Christopher Roderick Dow, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Lord Greene of Harrow Weald, C.B.E.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Sir Lionel Alexander Bethune Pilkington, F.R.S.
The Rt.Hon.Lord Robens of Woldingham
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly figures and the state of the markets.

The monthly report on Central Government Finance was laid before the Court.

A letter from Messrs.McGrigor, Donald & Company and a letter from Messrs.Freshfields having been submitted together with seven documents to be sealed -

Six Employer/Sub-Contractor Agreements, in duplicate, relating to the new Glasgow Agency;

A Licence to Assign, in duplicate, in respect of part of the mezzanine floor of Regent Arcade House, London, W.1.

6

the Court approved thereof and

ORDERED

that the documents in question be sealed with the
Common Seal of the Bank.

With reference to Minutes of the 15th December
1977 and earlier, the Governor spoke about the
forthcoming examination of the Bank by the Select
Committee on Nationalised Industries. He also
outlined the history of the fringe bank support
arrangements, emphasising that the sole objectives had
been the protection of depositors and the maintenance
of confidence in the banking system. A discussion
then followed, in the course of which the Members
unanimously expressed their support for the rôle played
by the Bank in the support operation.

h. b. j.

Secretary.

19th January 1978.

Sen.

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 19TH JANUARY 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Sir Robert Anthony Clark, D.S.C.
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
John Standish Fforde, Esq.
Lord Greene of Harrow Weald, C.B.E.
Sir Hector Laing
The Rt.Mon.Lord Robens of Woldingham
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

The following were laid before the Court

1. A statement of the Overseas Trade Figures for December 1977.
2. The monthly Banking Figures as at the 14th December 1977.
3. A Certificate, signed by the Secretary, of the affixing of the Bank's Seal ordered on the 12th January.

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A statement of forthcoming retirements was also laid before the Court. Arising therefrom, a Minute of the Committee of Treasury on a senior appointment was read and approved.

With reference to Minutes of the previous week and earlier, the Governor spoke about the presentation of evidence to the Select Committee on Nationalised Industries the previous day.

With reference to a Minute of the 8th December 1977, Mr. Blunden spoke to the Court about the Staff Organisation's claim under Schedule 11 of the Employment Protection Act for comparability of treatment in certain respects with staff in the clearing banks. He explained that it was not possible at the present time to enhance the London Allowance nor to introduce a scheme for free medical insurance for senior staff. In the cases of the claims for cars for Administrative Staff and for profit sharing, the Advisory, Conciliation and Arbitration Service were required to try to achieve conciliation; but conciliation would in their view only be possible if the Bank were prepared to enter now into a precise commitment for the future under these heads. These matters had been discussed by the Committee of Treasury that day and the Court confirmed their views that there were no grounds for a change of attitude with regard to the provision of cars and also that the Bank should not give any form of commitment on profit sharing.

H. G. ...
Secretary
26th January 1978.

See

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 26TH JANUARY 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
 Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
 Sir George Adrian Hayhurst Cadbury
 John Martin Clay, Esq.
 John Christopher Roderick Dow, Esq.
 John Standish Pforde, Esq.
 Sir Hector Laing
 Christopher William McMahon, Esq.
 Lord Nelson of Stafford
 The Rt.Hon.Lord Robens of Woldingham
 Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

A Minute of the Committee of Treasury on the redesignation of an Adviser was read and approved.

Arising from the Annual Review of Staff

1. A Minute on appointments and a Minute on gratuities to members of the Printing Works Staff, recommended by the Governors, were read and approved.
2. A Report of the Staff Committee recommending certain gratuities was submitted and approved.

The following were also submitted and approved -

1. The Quarterly Report of the Audit Committee and Annual Review of the Audit Division programme.

RH

2. The Annual Review of the work of the Audit Committee.
3. A Report of the Staff Committee on the Rules of the Bank of England Pension Fund.

The following were laid before the Court

1. A statement of the Unemployment Figures for January.
2. A Report of the Staff Committee covering the Chief of Establishments' Review of General Staff Administration and Training.
3. A statement of a resignation.

Two documents to be sealed having been submitted, in the first case together with a letter from Messrs. Freshfields

A Deed of Amendment and Appointment of Trustee to the Bank of England Pension Fund, in duplicate;

A common form of transfer in respect of a sale of Birmingham Corporation Rent Charges Perpetual Annuity on behalf of the Bank Provident Society;

the court approved thereof and

ORDERED

that the documents in question be sealed with the Common Seal of the Bank.

With reference to Minutes of the 1st September 1977 and earlier concerning Slater, Walker Limited, it was reported that it was necessary to provide for representation of the Bank at a forthcoming Extraordinary General Meeting of the Company and at any subsequent meetings. Accordingly, it was resolved -

"That the Chief Cashier of the Bank, for the time being, or such other person as may be nominated by him in writing, be authorised to act as the representative of the Governor and Company of the Bank of England at any meeting of Slater, Walker Limited, until otherwise resolved by the Court of Directors."

R.H.

With reference to the Minutes of the previous week and earlier, the Governor spoke about the presentation of evidence to the Select Committee on Nationalised Industries the previous day which had been concerned with a variety of topics, including fringe benefits available to the staff.

With regard to a Minute of the 27th October 1977, the Governor referred to recent developments concerning Sarabex Limited, a foreign exchange broking firm, which had asked the European Commission to investigate the arrangements under which the foreign exchange and currency deposit markets in the United Kingdom operated and were supervised.

The Governor spoke about a recent meeting, and working dinner, which had been held at the Bank with representatives of the Trades Union Congress.

With reference to a Minute of the 17th November 1977 concerning the updating of the review of Court remuneration undertaken in 1973, the Governor said that the Committee of Treasury had held two discussions on a note prepared as a first report on the problem. They had also recommended that Mr. Clay should join Sir Adrian Cadbury in undertaking the review, in place of Mr. Blunden, and that the two Directors should draw on the experience of Sir Henry Benson in formulating their recommendations. The Court concurred.

The Governor having withdrawn, Lord Nelson informed the Court in confidence that E.M. The Queen had been pleased to approve the re appointment of the Rt. Hon. Gordon Richardson, M.B.E., as Governor for a further term of five years from the 1st July 1978. He said that, in the meantime, he would discuss with the senior Directors the Governor's conditions of service and remuneration and would submit proposals at a later stage.

R. Hancock
Asst. Secretary
2nd February 1978

lea.

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 2ND FEBRUARY 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Sir Lionel Alexander Bethune Pilkington, F.R.S.
The Rt.Hon.Lord Robens of Woldingham
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures, and the state of the markets.

The following were laid before the Court

1. Reports from
 - Lord Nelson and Mr.Dow on their visit to the Manchester Branch;
 - Sir Adrian Cadbury and Lord Weir on their visit to the Glasgow Agency.
2. A Certificate, signed by the Assistant Secretary, of the affixing of the Bank's Seal ordered on the 26th January.

3. A statement of a forthcoming secondment.

The Governor commented in general terms on the Official Reserves figures for the end of January which were due to be published that afternoon: and referred briefly to the recent announcement by the Chancellor of the Exchequer of the intention to repay shortly the equivalent of \$1 billion to the I.M.F.

The Economic Report for January and the current paper on World Payments Trends were introduced by the Governor, who invited Mr. Dow to speak: a discussion followed.

h. c. g. p.

Secretary.

See

9th January 1978.

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 9TH FEBRUARY 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Sir Robert Anthony Clark, D.S.C.
John Christopher Roderick Dow, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Lord Greene of Harrow Weald, C.B.E.
Sir Hector Laing
Sir Lionel Alexander Bethune Pilkington, F.R.S.
The Rt.Hon.Lord Robens of Woldingham
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Deputy Governor commented on the weekly Figures and the state of the markets.

Arising from the Annual Review of Staff, a Minute of the Committee of Treasury on awards of Personal Pensionable Salary was read and approved.

The following were laid before the Court

1. A statement of Official Reserves at the end of January.
2. The monthly report on Central Government Finance.
3. Reports from

Mr.de Rothschild and Mr.Blunden on their visit to the Bristol Branch; and

Lord Robens on his visit to the Newcastle Branch.

4. A statement of a forthcoming retirement.



With reference to a Minute of the 19th January relating to the proposed retirement arrangements for two Heads of Departments, the Deputy Governor recalled that attention had been drawn to the possibilities of making lump sum payments in excess of £5,000 without attracting tax, should it be thought desirable to contemplate larger sums. Inquiries of the Bank's tax consultants had shown that such payments were permissible subject to the agreement of the Inland Revenue in the light of their assessment of certain relevant factors. He explained, with the aid of illustrative figures, that there were grounds for suggesting a cash payment, subject to Revenue clearance, of up to £11,600 for each of these officials, which in turn might be rounded to £12,000. The Court were in favour of acting generously in the two cases and it was left that specific proposals, which would take into account points made in the course of discussion, should be submitted for consideration in due course.

The Governor spoke to the Court about the theme of the speech which he had given at the Annual Banquet of the Overseas Bankers' Club.

With reference to Minutes of the 25th August 1977 and earlier, the Governor also mentioned that the issue of the new (Series "D") £1 note had commenced that day.

H. Young

Secretary.

16th February 1978.

I.Lu.

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 16TH FEBRUARY 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
 Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
 Sir George Adrian Hayhurst Cadbury
 John Martin Clay, Esq.
 John Christopher Roderick Dow, Esq.
 Leopold David de Rothschild, Esq.
 John Standish Fforde, Esq.
 Sir Hector Laing
 Sir John Maurice Laing
 Sir Lionel Alexander Bethune Pilkington, F.R.S.
 The Rt.Hon.Lord Robens of Woldingham
 Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

A statement of the Overseas Trade Figures for January was laid before the Court: a discussion in general terms on the effects on the balance of payments of the appreciation of the sterling exchange rate and problems besetting industry in the United Kingdom followed.

The monthly Money and Banking Figures as at the 18th January were also laid before the Court.

With reference to a Minute of the previous week relating to the award of cash payments to two Heads of Departments due shortly to retire, the Deputy Governor

said that, after taking into account the commutation intentions of the two officials, it seemed likely that the Inland Revenue formula would accommodate any payment Court would be prepared to contemplate. In the light of the views expressed in the earlier discussion it would seem reasonable to recommend a cash payment of £15,000 for each, which would equate to a notional salary increase before retirement of almost £2,000. The Court agreed that steps should be taken to proceed on that basis.

With reference to a Minute of the 29th December 1977 regarding securities regulation, the Governor commented on a meeting which had been held at the Bank the previous day and mentioned the proposed pattern of events.

The Governor spoke to the Court about recent meetings in Paris and at the Bank for International Settlements and also about the inaugural Mais Lecture which he gave at the City University on "Reflections on the Conduct of Monetary Policy".

H. G. ...

Secretary.

23rd February 1978.

Belmont of Bedford.

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 23RD FEBRUARY 1978

Present

Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.

Sir George Adrian Havhurst Cadbury

John Martin Clay, Esq.

John Christopher Roderick Dow, Esq.

Leopold David de Rothschild, Esq.

Lord Greene of Harrow Weald, C.B.E.

Sir John Maurice Laing

Christopher William McMahon, Esq.

Lord Nelson of Stafford

Sir Lionel Alexander Bethune Pilkington, F.R.S.

The Minutes of the last Court, having been circulated, were approved.

The Deputy Governor commented on the weekly Figures and the state of the markets.

A Minute of the Committee of Treasury on representation of the Bank at meetings of subsidiary companies was read and approved and it was resolved that

1. The Deputy Governor, for the time being, or failing him Mr. J. S. Fford, or failing him Mr. George Blunden, all of the Bank of England, be authorised to act as the representative of the Governor and Company of the Bank of England at any meeting of Bank of England Nominees Limited.

3

2. The Chief of Establishments, or failing him the Chief of Administration, or failing him the Secretary, all of the Bank of England, and for the time being, be authorised to act as the representative of the Governor and Company of the Bank of England at any meeting of B.E.Services Limited.
3. The Chief Cashier of the Bank of England, for the time being, or such other person as may be nominated by him in writing, be authorised to act as the representative of the Governor and Company of the Bank of England at any meeting of EBS Investments Limited.

The following were laid before the Court -

1. A statement of the Unemployment Figures for February.
2. A statement of Accounts of the Bank Provident Society for the year ended the 30th November 1977.
3. A statement of forthcoming retirements.

At the Deputy Governor's invitation, Mr. Blunden reported the intention to wind up the Technical and Services Staff Division whose functions would, in future, be taken over by other divisions of the Establishment Department.

The Deputy Governor spoke to the Court about the position regarding the Direction.

W. H. G. H.
Secretary
2-4 March 1978

Letter of Refud.

COURT OF DIRECTORS

For the year ending the 28th February 1979

| <u>Declaration made before</u> | <u>Date</u> | | |
|------------------------------------|-------------|--|-----------------|
| Chancellor of the Exchequer | 6. 6.78 | ϕ The Rt.Hon.Gordon William Humphreys Richardson, M.B.E. | Governor |
| | | Sir Jasper Quintus Hollom, K.B.E. | Deputy Governor |
| | | Lord Nelson of Stafford | |
| | | Sir John Maurice Laing | |
| Deputy Governor | 2. 3.78 | ∕ The Rt.Hon.Lord Robens of Woldingham | |
| | | Leopold David de Rothschild, Esq. | |
| Deputy Governor | 1. 3.78 | ∕ Sir George Adrian Hayhurst Cadbury | |
| Deputy Governor | 28. 2.78 | ∕ John Standish Pforde, Esq. | |
| | | Christopher William McMahon, Esq. | |
| | | Lord Weir | |
| | | John Martin Clay, Esq. | |
| | | John Christopher Roderick Dow, Esq. | |
| | | Sir Hector Laing | |
| | | Sir Lionel Alexander Bethune Pilkington, F.R.S. | |
| | | George Blunden, Esq. | |
| | | Sir Robert Anthony Clark, D.S.C. | |
| Deputy Governor | 14. 3.78 | * Sir David Edward Charles Steel, D.S.O., M.C. | |
| Deputy Governor | 9. 3.78 | * Geoffrey Ayrton Drain, Esq. | |

* Appointed 1st March 1978

∕ Reappointed 1st March 1978

ϕ Reappointed 1st July 1978

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 2ND MARCH 1978

Present

Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.

John Martin Clay, Esq.

John Christopher Roderick Dow, Esq.

Leopold David de Rothschild, Esq.

John Standish Fforde, Esq.

Sir John Maurice Laing

Christopher William McMahon, Esq.

Lord Nelson of Stafford

The Rt.Hon.Lord Robens of Woldingham

The Minutes of the last Court, having been circulated, were approved.

The Deputy Governor commented on the weekly Figures and the state of the markets.

The Quarterly Report of the Committee to consider the Securities of Certain Funds was submitted and approved, it being agreed that the limit on the proportion of the Pension Fund that may be invested in overseas securities, currently standing at 15% in book value terms, might be exceeded by a margin of 2½%, for the time being.

CS

A Report of the Committee on Permanent Control of Expenditure was also submitted and approved.

A Minute of the Committee of Treasury on the re appointment of an Executive Director and the remuneration of three Executive Directors was read and approved.

Pursuant to an Order of Court of the 1st March 1946 regarding the Committee of Treasury, voting took place for the election of the Committee for the ensuing year.

With reference to Minutes of the 15th December 1977 and earlier concerning the Crown Agents, the Deputy Governor spoke about the recent announcement of the terms of reference and membership of the tribunal to inquire into individual responsibility for the mistakes and losses that had occurred.

A paper on trade prospects with the Eastern Bloc and China, having been circulated to the Court, the Deputy Governor invited Mr. McMahon to speak. Arising from comments on the depressed state of the U.S. economy and the continuing decline of the dollar, Mr. McMahon also outlined ways in which America, and other countries, could take steps to improve the situation.

The Deputy Governor commented in general terms on the Official Reserves figures for the end of February which were due to be published that afternoon.

H. H. H.
Secretary.

9th March 1978.

See.

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 9TH MARCH 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Sir Robert Anthony Clark, D.S.C.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
Sir Hector Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Sir Lionel Alexander Bethune Pilkington, F.R.S.
The Rt.Hon.Lord Robens of Woldingham
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

The following were laid before the Court -

1. A statement of Official Reserves at the end of February.
2. The monthly report on Central Government Finance.
3. A statement of secondments.

The Governor reported that the following had been elected Members of the Committee of Treasury for the ensuing year:-

LORD NELSON
SIR MAURICE LAING
LORD ROBENS
MR.de ROTHSCHILD
SIR ADRIAN CADBURY

G

A Minute of the Committee of Treasury on the appointment of Standing Committees, etc., for the ensuing year was read and approved.

A letter from Messrs.Freshfields having been submitted together with a document to be sealed -

An Underlease relating to a tenancy at Bank House, Newcastle, the Court approved thereof and

ORDERED

that the document in question be sealed with the Common Seal of the Bank.

With reference to Minutes of the 16th February and earlier, the Governor informed the Court of recent developments regarding securities regulation and said that it was the intention to make a public announcement about the proposed scheme by the end of March.

The Economic Report for February was introduced by the Governor who invited Mr.Dow to speak. Mr.Dow also commented on the concluding Assessment of the March edition of the Quarterly Bulletin due to be published the following week: a discussion on these matters followed.

W. G. G. G.
Secretary
 16th March 1978.

See

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 16TH MARCH 1978Present

The Rt.Hon.Gordon Williams Humphreys Richardson, M.B.E., Governor
 Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
 Sir George Adrian Hayhurst Cadbury
 John Martin Clay, Esq.
 John Christopher Roderick Dow, Esq.
 Geoffrey Ayrton Drain, Esq.
 John Standish Fforde, Esq.
 Sir Hector Laing
 Sir John Maurice Laing
 Lord Nelson of Stafford
 The Rt.Hon.Lord Robens of Woldingham
 Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

The following were laid before the Court

1. A statement of the Overseas Trade Figures for February.
2. The monthly Money and Banking Figures as at the 15th February.
3. A Report from Sir Maurice Laing and Sir Hector Laing on their visit to the Liverpool Branch.
4. A Certificate, signed by the Secretary, of the affixing of the Bank's Seal ordered on the 9th March.

With reference to a Minute of the 14th April 1977, the Deputy Governor outlined the recommendations contained in a report submitted by Oscar Faber & Partners, consulting engineers, on the organisation and management of the Premises Division, which had been considered and approved by the Committee of Treasury that morning.

The Governor spoke to the Court about the agreement reached between the United States and West Germany on measures designed to support the U.S. dollar; and also about the Prime Minister's speech at the recent dinner of the Finance Houses Association, in which he had put forward a plan for concerted international action to boost world trade.

W. G. ...

Secretary

23rd March 1978.

Len.

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 23RD MARCH 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Sir David Edward Charles Steel, D.S.O., M.C.

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

A Minute of the Committee of Treasury on the establishment of a Public Information Division, and on an appointment arising therefrom, was read and approved, subject to the variation that the effective date should be determined by the Governors.

A further Minute of the Committee of Treasury on an appointment was also read and approved.

A provisional statement of the estimated operating profit of the Banking Department for the year ended the 28th February 1978 was laid before the Court and, arising therefrom, a recommendation by the Governor on a payment to H.M.Treasury pursuant to Section 1(4) of the Bank of England Act, 1946, was approved.

The following were laid before the Court

1. A revised statement of the Overseas Trade Figures for February.
2. A statement of the Unemployment Figures for March.
3. A Report of the Staff Committee on Banking Staff wastage.
4. A statement of a forthcoming resignation on pension.

The Governor spoke to the Court about the Government's White Paper entitled "The Challenge of North Sea Oil", which had been published earlier in the week.

At the Governor's invitation, Mr. Fforde spoke about a notice to banks which described the Bank of England's attitude to the issue by banks of sterling variable rate Certificates of Deposit and of medium and long term sterling securities and the way in which they would be regarded for the purpose of monetary control.

The Governor referred to recent instances of inaccurate press comment regarding the new (Series "D") £1 note and it was agreed that a suggestion that selected journalists might be invited to visit the Printing Works merited examination by the Public Information Division.

J. Gough
Secretary.

30th March 1978.

J. Gough

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 30TH MARCH 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Sir Robert Anthony Clark, D.S.C.
John Martin Clay, Esq.
Leopold David de Rothschild, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
The Rt.Hon.Lord Robens of Woldingham
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

A Report of the Staff Committee on a possible new salary structure was submitted and approved, the Court sharing the Committee's hope that some restoration of differentials might be achieved in this year's settlement. It was mentioned that although the Staff Organisation had been consulted during the preparation of the revised scheme, they had yet formally to seek the views of their members.

With regard to a Minute of the previous week, the Governor referred to the issue of a Press Notice stating that reports that the Bank planned to withdraw the new (Series "D") £1 note, following suggestions



that the new note had been printed in error with only one serial number, were entirely without foundation.

With reference to Minutes of the 9th March and earlier, the Governor spoke about the formation of the Council for the Securities Industry and said that an announcement on the setting up of this new self regulatory body would be made by the Bank that evening.

With regard to a Minute of the 16th February, the Governor recalled disquieting references at Court to factors in industry that were impeding efficiency and sought Members' views on whether the Bank should undertake, or perhaps commission, a survey of the opinions of industrialists in order to be able to publish a balanced and authoritative statement on the subject: a discussion followed.

H. G. ...
Secretary
6th April 1978

Len

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 6TH APRIL 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
 Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
 Sir Robert Anthony Clark, D.S.C.
 John Martin Clay, Esq.
 John Christopher Roderick Dow, Esq.
 Leopold David de Rothschild, Esq.
 John Standish Pforde, Esq.
 Sir Hector Laing
 Sir John Maurice Laing
 Sir David Edward Charles Steel, D.S.O., M.C.

The Minutes of the last Court, having been circulated, were approved, subject to the amendment of the Minute relating to a Staff Committee Report to read:

"A Report of the Staff Committee on a possible new salary structure was submitted and approved, the Court sharing the Committee's hope that some restoration of differentials might be achieved in this year's settlement. It was mentioned that although the Staff Organisation had been consulted during the preparation of the revised scheme, they had yet formally to seek the views of their members."

The Governor commented on the weekly figures and the state of the markets.

A statement of Official Reserves at the end of March was laid before the Court.

The Accounts of the Samaritan Fund for the year ended the 28th February 1978 were laid before the Court together with a recommendation by the Deputy Governor for a grant of £813.99 to the Fund: and the Court approved thereof.

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With regard to Minutes of the previous week and earlier concerning the formation of the Council for the Securities Industry, the Governor referred to an undertaking of full support for the new body which had been given by the Council of the Stock Exchange and also commented on reactions from other sources.

The Governor also spoke to the Court about

1. With reference to Minutes of the 22nd December 1977 and earlier, a comprehensive background paper for the Wilson Committee on the secondary banking crisis; and also the preparation of a sequence of five other papers for that Committee on the Bank's supervisory functions in financial and other markets, which should be completed by the end of the month.
2. [REDACTED]
3. With reference to a Minute of the 23rd March relating to the establishment of a Public Information Division, progress being made with the arrangements necessary to allow the Division to commence work shortly.

The Economic Report for March was introduced by the Governor who invited Mr. Dow to speak: a discussion followed.

J. C. Gough
Secretary
13th April 1978.

M 13/4/78

A COURT OF DIRECTORS AT THE BANK

ON TUESDAY, THE 11TH APRIL 1978

Present

Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.

John Martin Clay, Esq.

Leopold David de Rothschild, Esq.

John Standish Fforde, Esq.

Sir Hector Laing

Sir John Maurice Laing

The Rt.Hon.Lord Robens of Woldingham

Sir David Edward Charles Steel, D.S.O., M.C.

The Deputy Governor apologised for having to summon Members at short notice. He spoke about some of the factors in the Budget proposals, which the Chancellor of the Exchequer would be outlining in the House of Commons that afternoon, and explained the considerations that had led the Bank to press the case for a simultaneous increase in Minimum Lending Rate with a view both to exerting a restraining influence on the growth of the money supply and also to bringing about a more appropriate alignment of domestic and external short-term interest rates. Accordingly, with the approval of the Chancellor, he proposed that a special change be made in the Bank's Minimum Lending Rate from 6½% to 7½%: and this was approved.

h.c. j.
Secretary.
13th April 1978.

MZ 13/4/78

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 13TH APRIL 1978

Present

Sir Jasper Quintus Hollom, K.R.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Sir Robert Anthony Clark, D.S.C.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Sir Lionel Alexander Bethune Pilkington, F.R.S.
Lord Weir

The Minutes of the Courts of the 6th and 11th April, having been circulated, were approved.

The Deputy Governor commented on the weekly figures and the state of the markets. He also spoke to the Court in general terms about the Chancellor of the Exchequer's Budget proposals.

The following were laid before the Court -

1. The monthly report on Central Government Finance.
2. The monthly Money and Banking Figures as at the 15th March.
3. The Quarterly Analysis of Bank Advances as at the 15th February.
4. A Report from Mr. Fforde and Sir Alastair Pilkington on their visit to the Leeds Branch.
5. A Report of the Debden Committee covering the General Manager's half yearly review of the operation of the Printing Works.

The Deputy Governor spoke about the recent decision by Spillers Limited to withdraw from bread production and outlined the rôle played by the Bank in helping the Company with its problems.

With reference to a Minute of the 6th October 1977, at the Deputy Governor's invitation Mr. Blunden informed the Court that, at a meeting of the Negotiating Council the previous day, formal disagreement had been recorded following consideration of the Staff Organisation's claim that the Bank should buy out the staff's entitlement to coffee and tea breaks in return for substantial improvements in conditions of service and an increase in pensionable remuneration. The Staff Organisation were in practice unlikely to press this issue; but they would probably submit another claim shortly on the lines of the agreement reported to have been reached in Barclays Bank Limited.

With regard to Minutes of the 2nd March and earlier concerning the Crown Agents, the Deputy Governor mentioned that the detailed hearings by the tribunal to inquire into individual responsibility for the mistakes and losses that had occurred would start on the 11th September. He said that the tribunal had called for material bearing on matters on which the Fay Committee report had referred to the Bank.

blunden
Secretary

20th April 1978

J. L.

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 20TH APRIL 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Sir Robert Anthony Clark, D.S.C.
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Sir Lionel Alexander Bethune Pilkington, F.R.S.
Sir David Edward Charles Steel, D.S.O., M.C.
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

A Minute of the Committee of Treasury recommending increases in the deferred pension and deferred ex gratia allowance granted to The Rt.Hon.The Earl of Cromer was read and approved.

The following were laid before the Court

1. A statement of the Overseas Trade Figures for March.
2. A statement of a secondment.

The Governor spoke to the Court about -

1. The intention to issue U.S. dollar bonds on behalf of H.M. Government.
2. The recently published Price Commission report on Bank charges.
3. With reference to a Minute of the previous week, a Parliamentary Question regarding the decision by Spillers Limited to withdraw from bread production.
4. The meeting, the previous week, of the Panel of Academic Consultants.
5. With reference to Minutes of the 6th April and earlier, various papers being prepared for the Wilson Committee.

h. c. for jh.
Secretary.
27th April 1948.

Len

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 27TH APRIL 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir Robert Anthony Clark, D.S.C.
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Lord Nelson of Stafford
Sir David Edward Charles Steel, D.S.O., M.C.
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

The following were laid before the Court

1. A statement of the Unemployment Figures for April: a brief discussion in general terms on the labour situation followed.
2. A Report of the Staff Committee covering the Chief of Establishments' review of Salary Policy and Fringe Benefits.

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With regard to a Minute of the previous week, the Governor referred to the issue of the U.S. dollar bonds on behalf of H.M. Government and mentioned the terms that had been fixed.

Letters from Messrs. McGrigor, Donald & Company having been submitted with three documents to be sealed -

Three Employer/Sub Contractor Agreements, in duplicate, relating to the new Glasgow Agency
the Court approved thereof and

ORDERED

that the documents in question be sealed with the Common Seal of the Bank.

At the Governor's invitation, Mr. Blunden spoke to the Court about a pay award that had been accepted by the Printing Works' staff.

With reference to Minutes of the previous week and earlier, the Governor said that the background paper on the secondary banking crisis, which had been prepared primarily for the Research Panel of the Wilson Committee, and also the minutes of evidence of the recent sessions of the Select Committee on Nationalised Industries, would be published by the press shortly.

The Governor mentioned that the National Economic Development Council had reconstituted its Committee on Finance for Investment with a revised title and that Mr. Drain had been appointed a member of it.

bc

Secretary

4th May 1978.

M

4/5/78.

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 4TH MAY 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor

George Blunden, Esq.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly figures and the state of the markets.

The Annual Report of the Charitable Appeals Committee on Donations was submitted and approved. The Court noted that a review of the Bank's charitable giving policy would be brought forward for consideration shortly.

The following were laid before the Court:

1. A statement of Official Reserves at the end of April.
2. A statement of forthcoming retirements.
3. A Certificate, signed by the Secretary, of the affixing of the Bank's Seal ordered on the 27th April.

With reference to Minutes of the previous week and earlier, the Governor spoke to the Court about the recent successful issue of U.S. dollar bonds on behalf of H.M. Government.

19

At the Governor's invitation, Mr. McMahon spoke about the recent meeting of the Interim Committee of the International Monetary Fund.

With reference to Minutes of the previous week and earlier, the Governor commented on the press coverage of the Bank's background paper on the secondary banking crisis.

The Economic Report for April was introduced by the Governor who invited Mr. Dow to speak: a discussion followed.

B. McMahon
Secretary
11th May 1978.

Len

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 11TH MAY 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
John Christopher Roderick Dow, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets. A discussion in general terms on the choice of methods for determining the Bank's Minimum Lending Rate followed.

A paper regarding the effect that pay policy might impose on pensions granted in the year 1977/78 and recommending increases in certain pensions was submitted and approved.

With reference to Minutes of the previous week and earlier, the Governor commented on further press coverage of the Bank's background paper on the secondary banking crisis.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The Governor informed the Court that

1. A team from the International Monetary Fund had arrived for the normal annual consultations.
2. One of the periodic meetings of the E.E.C. group of banking supervisory authorities (Groupe de Contact) was taking place in the Bank that week.

The Governor spoke about the recent meetings held at the Bank for International Settlements.

A statement of a forthcoming resignation was laid before the Court.

At the Governor's invitation

1. Mr. Dow spoke about the decision reached in principle to make available more of the Bank's internal economic research work to outside specialists.
2. Mr. Forde commented briefly on impressions gained during his recent visits to Northern Ireland and the Republic of Ireland.

H. Forde

Secretary

18th May 1978.

Robert

18/5/78

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 18TH MAY 1978Present

Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.

Sir George Adrian Hayhurst Cadbury

John Christopher Frederick Dow, Esq.

Leopold David de Rothschild, Esq.

John Standish Fforde, Esq.

Sir Hector Laing

Christopher William McMahon, Esq.

Sir Lionel Alexander Bethune Pilkington, F.R.S.

The Rt.Hon.Lord Robens of Woldingham

Sir David Edward Charles Steel, D.S.O., M.C.

Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Deputy Governor commented on the weekly Figures and the state of the markets.

With reference to a Minute of the previous week, the Deputy Governor informed the Court that the question of changing the method for determining the Bank's Minimum Lending Rate was at present under consideration by Ministers.

The following were laid before the Court

1. A statement of the Overseas Trade Figures for April.
2. The monthly report on Central Government Finance.

The Monthly Money and Banking Figures as at the 19th April were also laid before the Court. A discussion regarding the recently published revision of the seasonally adjusted figures of the money stock, resulting from the regular annual updating of the adjustments to take account of later information, and also the rise in sterling M_3 in the five week period ended the 19th April, followed.

A Report of the Staff Committee concerning the general framework within which the Bank should negotiate the current year's pay settlement was submitted and approved.

On the Deputy Governor's invitation, Mr. Blunden spoke to the Court about the following matters -

1. With reference to Minutes of the 19th January and earlier, the Staff Organisation's claim under Schedule 11 of the Employment Protection Act for comparability of treatment in certain respects with staff in the clearing banks, which would be heard by the Central Arbitration Committee on the 10th July.
2. An industrial dispute at the Printing Works. The Court approved of the refusal to negotiate before a return to work and of the intention to protect the rights of existing staff.
3. With reference to Minutes of the 13th April and earlier, a productivity claim on the lines of the agreement recently conceded by Barclays Bank Limited which would be submitted by the Staff Organisation shortly. It was most unlikely that it would satisfy the requirements of pay policy.

The Deputy Governor mentioned briefly -

1. The appearance of the first of a three part series of articles regarding the pound which was being published by the Sunday Times.
2. With reference to Minutes of the 6th April and earlier, the first meeting of the Council for the Securities Industry which would be held on the following day.

G

At the Deputy Governor's invitation, Lord Robens spoke about impressions gained during his recent visit to the United States of America and Sir Adrian Cadbury commented on economic conditions in Australia.

W. G. ...

Secretary

25th May 1978

Len

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 25TH MAY 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir Robert Anthony Clark, D.S.C.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Sir Lionel Alexander Bethune Pilkington, F.R.S.
The Rt.Hon.Lord Robens of Woldingham
Sir David Edward Charles Steel, D.S.O., M.C.
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

With reference to Minutes of the previous week and earlier, the Governor informed the Court that, on the proposal of the Bank, the Chancellor of the Exchequer had agreed that the present arrangements for determining Minimum Lending Rate should be terminated. For the future, it was proposed that the level of Minimum Lending Rate should be determined by administrative decision, any change normally being announced to the market at 12.30 p.m. on a Thursday: and this was approved.

G

With reference to a Minute of the previous week, the Governor commented on the recently published revision of the seasonal adjustments to the money stock figures and on the rise in sterling M_3 in the five week period ended the 19th April and outlined the factors which had affected the money supply since last summer. He emphasised the difficulties of forecasting in this field and referred to the steps being taken to try to secure an improvement in the information contributed by Government departments. To assist public understanding, arrangements would be made to publicise the size of the seasonal adjustment for the month in advance of the appearance of each month's figures.

The Governor also spoke to the Court about

1. With reference to Minutes of the previous week and earlier, the first meeting of the Council for the Securities Industry.
2. With reference to a Minute of the 11th May, the conclusion of the consultations with the team from the International Monetary Fund.
3. His recent speech at the Annual Conference of the Building Societies' Association.
4. Proposed changes in the arrangements for the periodic receptions held for some of the more recently appointed staff.

A Report of the Staff Committee on an increase in pensions and allowances was submitted and approved.

With reference to a Minute of the previous week, at the Governor's invitation Mr. Blunden informed the Court of developments regarding the industrial dispute at the Printing Works.

[REDACTED]

CG

Lee

The following were laid before the Court

1. A statement of the Unemployment Figures for May.
2. A statement of a forthcoming secondment.

K. H. ...
Secretary.

1st June 1978.

See

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 1ST JUNE 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
 Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
 Sir George Adrian Hayhurst Cadbury
 Sir Robert Anthony Clark, D.S.C.
 John Martin Clay, Esq.
 John Christopher Roderick Dow, Esq.
 Geoffrey Ayrton Drain, Esq.
 Leopold David de Rothschild, Esq.
 John Standish Pforde, Esq.
 Sir Hector Laing
 Christopher William McMahon, Esq.
 Lord Nelson of Stafford
 Sir Lionel Alexander Bethune Pilkington, F.R.S.
 The Rt.Hon.Lord Robens of Woldingham
 Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

With reference to Minutes of the previous week and earlier, the Governor spoke briefly about the wide press coverage of the announcement of the decision to discontinue the market related arrangement for determining Minimum Lending Rate.

The Governor commented in general terms on the Official Reserves figures for the end of May which were due to be published the following afternoon.

The draft Accounts of the Bank for the year ended the 28th February 1978 were laid before the Court and the Deputy Governor spoke about the figures and about suggestions for the appropriation of the operating profit of the Banking Department. Formal approval of the Accounts by the Court was deferred for one week.

With reference to Minutes of the previous week and earlier, at the Governor's invitation Mr. Blunden advised the Court of the latest developments regarding the industrial dispute at the Printing Works. The Court approved of the action taken by management and agreed that the fundamental principle that existing staff should not be obliged to join a union against their wishes should not be compromised.

The Governor informed the Court that a guide to potential sources of finance, prepared by the Bank and the City Communications Centre and entitled "Money for Business", would be published on the 21st June. He explained that the decision to prepare and publish such a booklet had flowed from a conviction that there was an information gap in that area and that the guide was designed to close it. The cost of the initial printing and distribution would be about £90,000, which sum would in the main be financed by the principal City institutions.

The Economic Report for May and the current paper on World Payments Trends were introduced by the Governor, who invited Mr. Dow to speak.

At the Governor's invitation, Lord Weir spoke about impressions gained during his recent visit to the Republic of Korea.

[Handwritten signature]
Secretary.
8th June 1978.

[Handwritten signature]

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 8TH JUNE 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
 Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
 Sir George Adrian Hayhurst Cadbury
 Sir Robert Anthony Clark, D.S.C.
 Leopold David de Rothschild, Esq.
 John Standish Fforde, Esq.
 Sir John Maurice Laing
 Christopher William McMahon, Esq.
 Lord Nelson of Stafford
 The Rt.Hon.Lord Robens of Woldingham
 Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

The Governor went on to speak about the Public Sector Borrowing Requirement, and the effect of the parliamentary amendments to the Finance Bill, and said that, in order to contain the Requirement, the Government would announce that day an increase in the employers' national insurance surcharge. He believed that it would be expedient, at the same time, to take supporting monetary measures, in view of the recent sharp expansion in bank lending. Accordingly, with the approval of the Chancellor of the Exchequer, he proposed that

- (i) there should be a change in the Bank's Minimum Lending Rate from 9% to 10%:
- (ii) the Supplementary Special Deposits Scheme, that had been suspended on the 11th August 1977, should be re activated immediately.

These measures were approved.

The following were laid before the Court -

1. A statement of Official Reserves at the end of May.
2. The monthly report on Central Government Finance.

With reference to a Minute of the previous week regarding the Accounts of the Bank for the year ended the 28th February 1973, the Governor reported that the amount of the final payment to be made in lieu of dividend was still under discussion with H.M.Treasury. The Deputy Governor then drew attention to certain additional material which had been prepared on the Accounts.

A letter from Messrs.Freshfields having been submitted together with a document to be sealed

A Conveyance between the Bank and the Bristol & West Building Society relating to the sale of the former Law Courts Branch

the Court approved thereof and

ORDERED

that the document in question be sealed with the Common Seal of the Bank.

A Minute of the Committee of Treasury on senior appointments was read and approved.

The following were submitted and approved

1. A Report of the Committee on Permanent Control of Expenditure.
2. With reference to a Minute of the 18th May concerning the current year's pay settlement, a Report from the Bank Representatives on the Negotiating Council and a paper by the Deputy Governor on the subject of senior salaries.

With reference to Minutes of the previous week and earlier, at the Governor's invitation Mr.Blunden spoke about the industrial dispute at the Printing Works.

The Deputy Governor advised the Court that, in order to avoid a prospective promotion blockage, a form of special pension offer was seen to be required, and he outlined the suggested terms. The Court expressed themselves in favour of such an arrangement: before seeking their formal approval, clearance by the Inland Revenue would first be obtained.

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[Redacted text block]

W. G. ...
Secretary.
15th June, 1978.

Len

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 15TH JUNE 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Leopold David de Rothschild, Esq.
John Standish Pforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Sir Lionel Alexander Bethune Pilkington, F.R.S.
The Rt.Hon.Lord Robens of Woldingham
Sir David Edward Charles Steel, D.S.O., M.C.
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

The Governor went on to speak about the very large purchases by the public of gilt-edged securities during the past week, which had resulted in sharp pressure in the money markets and on the reserve asset position of the banking system. Accordingly, he proposed, with the approval of the Chancellor of the Exchequer, a release and recall of Special Deposits. the repayment to be the equivalent of 1½% of eligible liabilities and to be made

5

on the 19th June to all banks (other than those in Northern Ireland) and to deposit taking finance houses; and the rate of call to be restored to 2% with effect from the 3rd July and to 3% with effect from the 24th July. This was approved. The Governor emphasised that this operation was a technical smoothing measure, which would not be used to ease the constraint which the Supplementary Special Deposits Scheme would impose on bank lending over the coming months.

With reference to a Minute of the previous week, the Governor spoke briefly about the press comment on the monetary measures announced on the 8th June.

The following were laid before the Court:

1. A statement of the Overseas Trade Figures for May.
2. The monthly Money and Banking Figures as at the 17th May.
3. A Certificate, signed by the Secretary, of the affixing of the Bank's Seal ordered on the 8th June.

The Quarterly Report of the Audit Committee was submitted and approved.

The Governor also spoke to the Court about -

1. The recent meeting of Central Bank Governors at the Bank.
2. The Annual General Meeting of the Bank for International Settlements.
3. His speech at the Annual General Meeting of the Association of Foreign Banks in Switzerland.
4. The appointment of M. de Larosière as Managing Director of the International Monetary Fund.

[REDACTED]

GG

With reference to Minutes of the previous week and earlier, at the Governor's invitation Mr. Blunden advised the Court of the latest developments in the industrial dispute at the Printing Works. He outlined the terms of an agreement by means of which it was hoped to resolve the dispute in the near future and the Court authorised the General Manager to proceed to achieve a settlement on that basis.

Mr. Dow was invited to speak on the concluding Assessment of the June edition of the Quarterly Bulletin, which was due to be published shortly, and a discussion followed.

H. C. J. H.

Secretary

22nd June 1978.

Len

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 22ND JUNE 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Sir Robert Anthony Clark, D.S.C.
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Leopold David de Rothschild, Esq.
Christopher William McMahon, Esq.
Sir Lionel Alexander Bethune Pilkington, F.R.S.
Sir David Edward Charles Steel, D.S.O., M.C.
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

A statement of the Unemployment Figures for June was laid before the Court: a discussion followed on the situation regarding vacancies for skilled and unskilled workers and industry's labour requirements.

A Minute of the Charitable Appeals Committee on the making of a donation was submitted and approved.

The Deputy Governor spoke to the Court about the awards made by the Houblon-Norman Fund for the year 1978/79. Although the various grants for the ensuing year were all relatively small, the Court noted that the Fund stood ready to make a substantial award in the form of a fellowship if a suitable applicant could be found; and that their advertisements drew attention to this.



With reference to Minutes of the previous week and earlier, at the Governor's invitation Mr. Blunden reported that the industrial dispute at the Printing Works had been resolved on the previous Friday on the basis of the terms already outlined to the Court. It was agreed that the General Manager should be commended on the manner in which he had steered negotiations to a satisfactory conclusion.

The Governor spoke to the Court about

1. His recent meeting with the Chairmen of the Scottish Clearing Banks.
2. With reference to a Minute of the 1st June, the publication the previous day of a new guide to potential sources of finance, prepared by the Bank and the City Communications Centre, and entitled "Money for Business".

A statement of forthcoming retirements was laid before the Court.

With reference to a Minute of the previous week regarding the June edition of the Quarterly Bulletin, the Governor invited Mr. Dow to speak about a special article on the seasonal adjustment of the monthly money supply statistics and also to comment on the Assessment: a discussion followed.

Blunden
Secretary
 29th June 1978.

Dow

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 29TH JUNE 1978

Present

The Rt.hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir Robert Anthony Clark, D.S.C.
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McManon, Esq.
Sir Lionel Alexander Bethune Pilkington, F.R.S.
The Rt.Hon.Lord Robens of Woldingham
Sir David Edward Charles Steel, D.S.O., M.C.
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly figures and the state of the markets.

With reference to Minutes of the 8th June and earlier regarding the Accounts of the Bank for the year ended the 28th February 1978, it was reported that agreement had still not been reached with H.M.Treasury on the amount of the final payment to be made in lieu of dividend. A discussion on the situation and the possible courses open to the Bank then followed.

The following were laid before the Court -

1. A Report of the Staff Committee on Banking Staff wastage for the quarter ended May 1978.
2. A statement of forthcoming retirements.

A Report of the Staff Committee which drew attention to the serious wastage problem among Electronic Data Processing Staff was submitted and, after discussion, it was agreed that there was no objection in principle to the recommendation that a separate career staff for E.D.P. work should be established. It was noted that a detailed examination of all aspects of the issue would be undertaken as quickly as possible and that proposals would be submitted to the Court by the end of the following month.

With reference to a Minute of the 8th June, a paper concerning a Selective Early Pension Offer was submitted and approved.

The Deputy Governor spoke to the Court about the need to find a suitable site for a new computer system for the Accountant's Department. He said that, on cost and other considerations, there was a case for making use of vacant space at the Printing Works rather than occupying an area at New Change which could otherwise be made available for letting. The Court considered that, while the new computer system should not be located at New Change, it could prove to be disadvantageous to accommodate it at the Printing Works. It was therefore left that an examination of alternative sites should be undertaken.

[REDACTED]

The Governor spoke to the Court about

1. Minor amendments to certain Exchange Control regulations which were being announced that day.
2. With reference to Minutes of the 20th April and earlier, the preparation by the Bank of five further papers for the Wilson Committee.

H. Gough
Secretary

6th July 1978

len

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 6TH JULY 1978

Present

The Rt.hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Caubury
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
Leopold David de Rothschild, Esq.
John Standish Ffiorde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Sir Lionel Alexander Bethune Pilkington, F.R.S.

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly figures and the state of the markets.

A statement of Official Reserves at the end of June was laid before the Court.

With reference to a Minute of the 22nd June, the Governor invited Mr.Dow to speak about a paper on unemployment and the labour situation, which had been circulated to the Court, and a discussion followed.

5

The Governor spoke to the Court on the following matters

1. With reference to Minutes of the previous week and earlier, the submission that day of five further papers to the Wilson Committee.
2. His meeting, the previous day, with the Chairmen of the London Clearing Banks.

The Economic Report for June was introduced by the Governor who invited Mr. Dow to speak: a discussion followed.

At the Governor's invitation, Sir Hector Laing and Mr. Drain spoke about impressions gained during their recent visits to the United States of America.

Mr. de Rothschild was granted permission to join the Board of Laing Properties Limited.

Secretary:
13th July 1918.

John of Bradford

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 13TH JULY 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Sir Robert Anthony Clark, D.S.C.
John Christopher Roderick Dow, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Sir Lionel Alexander Bethune Pilkington, F.R.S.
The Rt.Hon.Lord Robens of Woldingham
Sir David Edward Charles Steel, D.S.O., M.C.

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

With reference to a Minute of the 15th June regarding a release and recall of Special Deposits, and in particular the restoration of the rate of call to 3% with effect from the 24th July, the Governor proposed that, in view of the prospect of substantial shortages in the money market over the next three weeks, the Court should give the Governors discretion either to postpone or to cancel the aforementioned recall. This was approved.

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At the Governor's invitation, Mr. Dow spoke about industrial production in May.

With reference to Minutes of the 29th June and earlier, the book proof of the Annual Report and Accounts of the Bank for the year ended the 28th February 1978 was submitted, and the Governor spoke to the Court about the discussions which had taken place with H.M. Treasury regarding the amount of the final payment to be made in lieu of dividend. After considering the courses of action open to the Bank, the Court approved a recommendation of the Committee of Treasury that the total payment for the year should amount to £5½ million. It was furthermore agreed that, in conveying this decision to the Treasury, they should be made aware of the desire of the Court to see a strengthening of the Bank's reserves, which had been severely eroded in real terms in recent years.

The Court then agreed that the Accounts, amended to reflect the above-mentioned payment to be made to H.M. Treasury, be approved and signed; and also that the Annual Report and Accounts of the Bank, similarly amended, be printed and issued.

The Governor spoke to the Court on the following matters

1. With reference to Minutes of the previous week and earlier, the publication the following day of the five further papers recently submitted by the Bank to the Wilson Committee.
2. The decision taken by the heads of the Common Market governments to examine the possible creation of a zone of greater monetary stability in Europe.

With reference to Minutes of the 18th May and earlier, on the Governor's invitation Mr. Blunden spoke about the recent hearing of the Staff Organisation's claim under Schedule 11 of the Employment Protection Act by the

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A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 20TH JULY 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
 Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
 Sir George Adrian Hayhurst Cadbury
 Sir Robert Anthony Clark, D.S.C.
 John Martin Clay, Esq.
 John Christopher Roderick Dow, Esq.
 Geoffrey Ayrton Drain, Esq.
 Leopold David de Rothschild, Esq.
 John Standish Fforde, Esq.
 Sir Hector Laing
 Sir John Maurice Laing
 Christopher William McMahon, Esq.
 Lord Nelson of Stafford
 Sir Lionel Alexander Bethune Pilkington, F.R.S.
 Sir David Edward Charles Steel, D.S.O., M.C.

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly figures and the state of the markets.

With reference to Minutes of the previous week and earlier regarding the final payment to be made by the Bank in lieu of dividend, the Governor reported that a figure of £3½ million, making a total of £5½ million for the year ended the 28th February 1978, had been accepted by the Treasury. The Governor said that he had emphasised to the Treasury the desire of the Court to see a strengthening of the Bank's reserves.

CH

With reference to a Minute of the previous week, the Governor said that it had been decided that the recall of Special Deposits due on the 24th July, amounting to 1% of eligible liabilities, should now be payable on the 11th September.

The following were laid before the Court

1. A statement of the Overseas Trade Figures for June.
2. A statement of the Unemployment Figures for July.
3. The monthly Money and Banking Figures as at the 21st June.
4. The quarterly analysis of Bank Advances as at the 17th May.
5. A Certificate, signed by the Secretary, of the affixing of the Bank's Seal ordered on the 13th July.

A Minute on an Appointment recommended by the Governors was read and approved.

The Quarterly Report of the Committee to Consider the Securities of Certain Funds was also submitted and approved. The Court noted that the Committee had had occasion to review their rôle in relation to the management of the Pension Fund portfolio and agreed that, while in the ordinary course of events the Committee would exercise their judgment in implementing investment policy within the guidelines already approved, they should continue to refer to the Court any questions that they felt to be of a difficult or sensitive nature.

The Governor spoke to the Court on the following matters

1. With reference to Minutes of the previous week and earlier, the publication of the five further evidential papers submitted by the Bank to the Wilson Committee.
2. A further Government White Paper on legislation covering the licensing and supervision of deposit-taking institutions which would be published shortly. The Governor explained that the need for legislation arose from an obligation of E.E.C. membership to introduce a system of prior authorisation for all credit institutions and from the need to bring all deposit taking institutions, which were not banks, under a proper system of control.

RH

3. With reference to Minutes of the 26th January and earlier, the situation regarding the complaint made by a firm of foreign exchange brokers named Sarabex Limited to the European Commission against the working of the system of control over operations in the foreign exchange and currency deposit markets in London.
4. The recent meeting at the Bank with the Panel of Academic Consultants.
5. A proposal to award a gratuity to the Doorkeeper on his retirement.

P. Hancock
Asst Secretary
27th July 1978

Len

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 27TH JULY 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Sir Robert Anthony Clark, D.S.C.
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Sir Lionel Alexander Bethune Pilkington, F.R.S.
The Rt.Hon.Lord Robens of Woldingham
Sir David Edward Charles Steel, D.S.O., M.C.
Lord Weir

The Minutes of the last Court, having been
circulated, were approved.

The Governor commented on the weekly Figures and
the state of the markets.

The Governor went on to say that conditions in
the money markets and the reserve asset position of the
banking system remained tight, despite the release of
Special Deposits announced on the 15th June and the
postponement of part of the recall on the 17th July.
Accordingly he proposed, with the approval of the

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Chancellor of the Exchequer, to make a further temporary reduction in the rate of call for Special Deposits. The rate of call from all banks (other than those in Northern Ireland) and from deposit-taking finance houses would be reduced from 2% of eligible liabilities to 1%, with effect from the 31st July 1978. Special Deposits amounting to 1% of eligible liabilities were already due for recall on the 11th September 1978, and the 1% now to be released would be recalled on the 26th September 1978, thus restoring the rate of call to 3%. This was approved.

The Governor informed the Court of the sad news of the death on the 24th July of Sir Maurice Parsons, K.C.M.G. On the recommendation of the Committee of Treasury it was agreed that, subject to the approval of the Inland Revenue, the provision for his widow, Lady Daphne Parsons, be based on that applicable under the new Court Pension Scheme, the introduction of which only awaited completion of formal documentation.

A report of the Staff Committee covering the Chief of Establishments' report on Manpower Review and Planning was laid before the Court.

With reference to the Minutes of the 29th June and at the Governor's invitation, Mr. Blunden outlined to the Court the main provisions of a proposed new separate structure for the Electronic Data Processing staff which the Committee of Treasury had agreed might form the basis of formal negotiations with the Staff Organisation.

With reference to the Minutes of the 13th July, Mr. Blunden reported that the productivity claim submitted by the Staff Organisation had been put before H.M. Treasury as the Bank's sponsoring department in matters of pay. They had rejected the claim as in no way complying with Pay Policy. This had come as unwelcome news to the Staff Organisation and there had been some talk of "blacking" work on Government accounts.

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The Governor invited Mr. Dow to speak about a paper on Public Sector Investment and the Borrowing Requirement, copies of which had been circulated: a discussion followed.

A statement of forthcoming retirements was laid before the Court.

J. C. [unclear]
Secretary.
10th August 1978.

John of [unclear]

A MEETING OF DIRECTORS AT THE BANK

ON THURSDAY, THE 3RD AUGUST 1978

Present

Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Geoffrey Ayrton Drain, Esq.
Sir Hector Laing
Lord Nelson of Stafford
The Rt.Hon.Lord Robens of Woldingham
Lord Weir

The number of Directors assembled being insufficient to form a Court, those present proceeded to the business, subject to ratification by the next Court.

The Minutes of the last Court, having been circulated, were approved.

The Deputy Governor commented on the weekly Figures and the state of the markets. A discussion in general terms on the situations regarding the U.S. dollar and the Japanese yen followed.

A statement of Official Reserves at the end of July was laid before the Meeting.

With reference to Minutes of the previous week and earlier, at the Deputy Governor's invitation Mr. Blunden informed the Meeting that the provisions of the proposed new separate structure for the Electronic Data Processing Staff had been communicated to the Staff Organisation and to members of the computer staff working in the two departments concerned and that the initial reactions to the proposals were favourable. He also spoke about the productivity claim submitted by the Staff Organisation, which had been rejected by H.M. Treasury, and reported that, following a

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discussion on the subject at a recent meeting of the Negotiating Council, formal disagreement had been recorded. The Staff Organisation would now seek a meeting with the Department of Employment.

The Deputy Governor commented on the recent court case in which the Burmah Oil Company Limited had failed in its application to compel the Bank to produce certain policy documents in its action against the Bank. The main hearing of the Company's claim would be unlikely to take place until the autumn of 1979.

The Economic Report for July was introduced by the Deputy Governor who invited Mr. Blunden to speak: a discussion followed.

W. Blunden
Secretary
10th August 1978.

W. Blunden

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 10TH AUGUST 1978Present

Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.

Sir George Adrian Hayhurst Cadbury

Geoffrey Ayrton Drain, Esq.

Leopold David de Rothschild, Esq.

Sir Hector Laing

Lord Nelson of Stafford

The Rt.Hon.Lord Robens of Woldingham

Lord Weir

The Minutes of the Court of the 27th July were confirmed and those of the Meeting of the 3rd August, which had also been circulated, were approved.

The Deputy Governor commented on the weekly Figures and the state of the markets.

The Deputy Governor went on to speak about the schemes for sterling fixed-rate export and home shipbuilding credit and an undertaking given by the Chancellor of the Exchequer in 1976, when the London and Scottish Clearing Banks had agreed to finance additional lending under those arrangements, that, if the commitment to fixed rate finance prejudiced their position in relation to the Supplementary Special Deposits scheme, Special Deposits would be released to offset that disadvantage. Accordingly, in order to give effect to that undertaking, the Deputy Governor proposed, with the approval of the Chancellor that a total of £207 million of Special Deposits be released to the London and Scottish Clearing Banks on the 14th August. This was approved. The Deputy Governor emphasised that this operation did not represent a relaxation of monetary policy but was merely a balancing recompense under the terms of the 1976 agreement.

The following were laid before the Court -

1. The monthly report on Central Government Finance.
2. A Report from Lord Robens and Mr. McMahon on their visit to the Southampton Branch.
3. A statement of forthcoming retirements and secondments.

The Deputy Governor informed the Court of a proposal to make a new short film about the Bank for use in the BBC's "The Money Programme".

h. Ch...
Secretary

14th September 1978.

John G. ...

A MEETING OF DIRECTORS AT THE BANK

ON THURSDAY, THE 17TH AUGUST 1978

Present

Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.

Geoffrey Ayrton Drain, Esq.

Sir Hector Laing

Lord Nelson of Stafford

The Rt.Hon.Lord Robens of Woldingham

The number of Directors assembled being insufficient to form a Court, those present proceeded to the business, subject to ratification by the next Court.

The Minutes of the last Court, having been circulated, were approved.

The Deputy Governor commented on the weekly Figures and the state of the markets.

With reference to a Minute of the 8th June, the Deputy Governor informed the Meeting that, with the approval of the Chancellor of the Exchequer, it had been decided to continue the operation of the Supplementary Special Deposits scheme for a further period of eight months on an unchanged basis.

The following were laid before the Meeting

1. A statement of the Overseas Trade Figures for July.
2. The monthly Money and Banking Figures as at the 19th July.

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The following were submitted and approved

1. The Quarterly Report of the Audit Committee.
2. A Minute on an appointment recommended by the Governors.

The Deputy Governor spoke about two Supplements to Exchange Control Notices and a revision of another Notice which had been issued the previous day.

At the Deputy Governor's invitation, Mr. Blunden spoke to the Meeting on the following matters

1. With reference to Minutes of the 13th July and earlier, the recent report of the Central Arbitration Committee on the Staff Organisation's claim under Schedule 11 of the Employment Protection Act for comparability of treatment in certain respects with staff in the clearing banks. He said that the Committee had found that the Bank were not in the same section of the banking industry as the clearing banks. The Committee had stated that, if they had taken the contrary view, their award would have included an increase in the London Allowance and the introduction of private medical insurance; they would not, however, have accepted the heads of the claim relating to the provision of cars and to a profit sharing scheme.
2. With reference to Minutes of the 3rd August and earlier, the productivity claim which had been submitted by the Staff Organisation and subsequently rejected by H.M. Treasury. He reported that the Department of Employment had refused to hold a meeting on the subject with the Staff Organisation who had now referred the matter to the Advisory Conciliation and Arbitration Service.
3. With reference to Minutes of the 3rd August and earlier, the proposed new separate structure for the Electronic Data Processing Staff. The provisions of the scheme had been communicated to members of the computer staff and discussed with the Staff Organisation and at meetings convened by them. The Union had indicated that while, in principle, they were content with the recommendations, they wished to negotiate on certain points of detail.

With reference to Minutes of the 22nd June and earlier concerning the recent industrial dispute at the Printing Works, the Deputy Governor commented on the situation regarding eleven women members of the Society of Graphical and Allied Trades who had declined to join the strike. He also referred to an anonymous letter that had been received at the Bank and to press coverage of the subject.

Belmont

Secretary

14th September 1978

Belmont

A MEETING OF DIRECTORS AT THE BANK

ON THURSDAY, THE 24TH AUGUST 1976

Present

Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.

Sir Robert Anthony Clark, D.S.C.

Geoffrey Ayrton Drain, Esq.

Sir John Maurice Laing

Lord Nelson of Stafford

Sir Lionel Alexander Bethune Pilkington, F.R.S.

Lord Weir

The number of Directors assembled being insufficient to form a Court, those present proceeded to the business, subject to ratification by the next Court.

The Minutes of the last Meeting, having been circulated, were approved.

The Deputy Governor commented on the weekly Figures and the state of the markets.

A Minute of the Committee of Treasury recommending increases, with effect from the 1st July 1978, in the pensions and allowances in payment to former Governors and Executive Directors and an enhancement of the Governor's pension arrangements was read and approved.

The following were laid before the Court -

1. A statement of the Unemployment Figures for August.
2. The Report and Accounts of the Bank of England Pension Fund for the year ended the 28th February 1978.
3. A statement of retirements.

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With reference to a Minute of the previous week,
at the Deputy Governor's invitation Mr. Blunden informed
the Meeting of the situation regarding the eleven women
members of the Society of Graphical and Allied Trades who
had declined to join the recent strike at the Printing Works.

h.c. h.
Secretary
14th September 1978.

Mz 31/8/78
Labour of Staff.

A MEETING OF DIRECTORS AT THE BANKON THURSDAY, THE 31ST AUGUST 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor

Sir George Adrian Hayhurst Cadbury
 John Martin Clay, Esc.
 John Standish Fforde, Esq.
 Sir John Maurice Laing
 Lord Weir

The number of Directors assembled being insufficient to form a Court, those present proceeded to the business, subject to ratification by the next Court.

The Minutes of the last Meeting, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

The Governor spoke to the Court about impressions gained during his recent visit to Yugoslavia.

G. W. Humphreys
 Secretary.
 14th September 1978.

John of the Bank

A MEETING OF DIRECTORS AT THE BANK

ON THURSDAY, THE 7TH SEPTEMBER 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor

George Blunden, Esq.
Sir Robert Anthony Clark, D.S.C.
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
John Standish Fforde, Esq.
Lord Nelson of Stafford

The number of Directors present being insufficient to form a Court, those present proceeded to the business, subject to ratification by the next Court.

The Minutes of the last Meeting, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

The following were laid before the Court:

1. A statement of the Official Reserves at the end of August.
2. The monthly report on Central Government Finance.

[REDACTED]

Mr.Dow was invited to speak on the concluding Assessment of the September edition of the Quarterly Bulletin, which was due to be published shortly, and a discussion followed.

Richardson
Secretary
14th September 1978.

John of the Fall

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 14TH SEPTEMBER 1978Present

Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir Robert Anthony Clark, D.S.C.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Sir David Edward Charles Steel, D.S.O., M.C.
Lord Weir

The Minutes of the Court of the 10th August and of the Meetings of the 17th, 24th and 31st August were confirmed and those of the Meeting of the 7th September, which had also been circulated, were approved.

The Deputy Governor commented on the weekly Figures and the state of the markets.

With reference to a Minute of the 27th July regarding a release and recall of Special Deposits, and in particular to the recall due to take effect on the 26th September, the Deputy Governor went on to speak about the uncertainties affecting the projections covering the period up to the banks' October make-up date and proposed that the Court should give the Governors discretion to postpone the aforementioned recall should that appear desirable. This was approved.

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The following were laid before the Court

1. The monthly Money and Banking Figures as at the 16th August.
2. The Directors' Reports and Accounts of Slater, Walker Limited and of EBS Investments Limited for periods ended the 28th February 1978.
3. A statement of forthcoming retirements.

At the Deputy Governor's invitation

1. With reference to Minutes of the 17th August and earlier, Mr. Blunden informed the Court of the situations regarding the productivity claim which had been submitted by the Staff Organisation and the proposed new separate structure for the Electronic Data Processing Staff. He said that it was also hoped to negotiate separate terms and conditions of service for certain staff engaged on foreign exchange dealing. Mr. Blunden also spoke about the question of an adjustment of the London Allowance and the Staff Organisation's reactions to recent developments in general.
2. Mr. McMahon spoke to the Court about developments concerning the proposed new European Monetary System and the discussions that had taken place at the recent meetings held at the Bank for International Settlements.

With reference to Minutes of the 13th April and earlier regarding the Crown Agents, the Deputy Governor mentioned that the public hearings by the Tribunal to inquire into individual responsibility for the mistakes and losses that had occurred would commence on the following Monday. He said that it seemed unlikely that witnesses from the Bank would be called upon to appear before the Tribunal until next Easter.

H. G. Gough
Secretary.

21st September 1978.

den.

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 21ST SEPTEMBER 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir John Maurice Laing
Sir David Edward Charles Steel, D.S.O., M.C.
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

With reference to a Minute of the previous week regarding the discretion given by the Court to postpone the recall of Special Deposits due to take effect on the 26th September, should that appear desirable, the Governor said that as, in the event, the position had remained finely balanced, it had been concluded that it would be preferable to let the recall stand.

A statement of the Overseas Trade Figures for August was laid before the Court.

G

A Minute on an Appointment recommended by the Governors was read and approved.

At the Governor's invitation, Mr. Blunden spoke to the Court on the following matters

1. With reference to Minutes of the 24th August and earlier, the fines and conditions imposed by the Society of Graphical and Allied Trades on the eleven women members of the Union who had declined to join the recent strike at the Printing Works.
2. With reference to Minutes of the previous week and earlier, the situation regarding the proposed new separate structure for the Electronic Data Processing Staff. He reported that, contrary to earlier assurances, H.M. Treasury had now indicated that implementation of the proposals at the present time would breach pay policy. He explained that, if it were not possible to give effect to the new structure on technical grounds, widespread disruption of computer work would be likely. The Court expressed grave concern at such a prospect and it was agreed that further representations would be made to the Treasury on the subject.

With reference to a Minute of the previous week, the Governor commented on the recent E.E.C. Finance Ministers Meeting and the development of the discussions regarding the proposed new European Monetary System. He also spoke about the forthcoming Annual Meetings of the International Monetary Fund and the International Bank for Reconstruction and Development.

The Economic Report for August was introduced by the Governor who invited Mr. Dow to speak: a discussion followed.

The Governor spoke to the Court about impressions gained during his recent visits to Poland and Czechoslovakia.

H. D. P. J.

Secretary.

23rd September 1978.

M.

28/9/78.

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 28TH SEPTEMBER 1978Present

Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Sir Lionel Alexander Bethune Pilkington, F.R.S.

The Minutes of the last Court, having been circulated, were approved.

The Deputy Governor commented on the weekly Figures and the state of the markets.

The following were laid before the Court

1. A statement of the Unemployment Figures for September.
2. A Report of the Staff Committee on Banking Staff wastage.

A Report of the Staff Committee on the payment of certain gratuities was submitted and approved.

With reference to a Minute of the 17th November 1977 regarding the new Court Pension Scheme, the Deputy Governor, having declared his interest and that of the Executive Directors, spoke about the provisions of an Interim Trust Deed which would permit operation of the Scheme

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on the proposed new terms in advance of the execution of the definitive Deed. A letter from Messrs.Freshfields having been submitted, the Court approved the Interim Trust Deed and

ORDERED

that the document, in duplicate, be sealed with the Common Seal of the Bank.

Letters from Messrs.McGrigor, Donald & Company having been submitted with two documents to be sealed

Two Employer/Sub Contractor Agreements, in duplicate, relating to the new Glasgow Agency the Court approved thereof and

ORDERED

that the documents in question be sealed with the Common Seal of the Bank.

With reference to Minutes of the 14th September and earlier regarding the Crown Agents, the Deputy Governor spoke to the Court about the opening stages of the public hearings by the Tribunal to inquire into individual responsibility for the mistakes and losses that had occurred at which certain references to the Bank had been made.

At the Deputy Governor's invitation, Mr.Blunden informed the Court that the Staff Organisation intended to investigate the possibilities of seeking affiliation to the Trades Union Congress or of an association with the National Union of Bank Employees.

bc for jh .
Secretary .

Len.

5th October 1978.

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 5TH OCTOBER 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.,
Sir George Adrian Hayhurst Cadbury
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Sir Lionel Alexander Bethune Pilkington, F.R.S.
Sir David Edward Charles Steel, D.S.O., M.C.
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets. He also spoke about the measures aimed to bring about a reduction in the rate of exchange for the Swiss franc, which had recently been announced by the Banque Nationale Suisse.

The following were laid before the Court

1. A statement of Official Reserves at the end of September.
2. A Certificate, signed by the Secretary, of the affixing of the Bank's Seal ordered on the 28th September.

A Report of the Committee on Bank Premises on their work was submitted and approved.

With reference to a Minute of the 21st September, the Governor spoke to the Court about the meeting of the Interim Committee and the annual meetings of the International Monetary Fund and the International Bank for Reconstruction and Development which he had attended in Washington. He also commented on the situation regarding the proposed new European Monetary System.

With reference to Minutes of the 21st September and earlier, at the Governor's invitation Mr. Blunden reported briefly on the situations regarding the proposed new separate structure for the Electronic Data Processing Staff and the question of an adjustment of the London Allowance.

The Governor referred to a recent article in the Financial Times which had described the Bank's industrial role and said that a press notice would be issued shortly about the inquiry into the clothing industry which had been undertaken for the Bank by Mr. J. P. Koppel.

W. C. Blunden
 Secretary
 12th October 1978.

Lee

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 12TH OCTOBER 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
 Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

Sir George Adrian Hayhurst Cadbury
 John Christopher Roderick Dow, Esq.
 Geoffrey Ayrton Drain, Esq.
 Leopold David de Rothschild, Esq.
 John Standish Fforde, Esq.
 Sir Hector Laing
 Sir John Maurice Laing
 Christopher William McMahon, Esq.
 Lord Nelson of Stafford
 Sir Lionel Alexander Bethune Pilkington, F.R.S.
 The Rt.Hon.Lord Robens of Woldingham

The Minutes of the last Court, having been circulated, were approved.

Arising therefrom, the Governor referred to the press notice about the findings of the examination of the U.K. clothing industry and spoke about the approach adopted by the Bank in respect of inquiries of this nature.

The Governor commented on the weekly Figures and the state of the markets.

The following were laid before the Court -

1. The monthly report on Central Government Finance.
2. A Report of the Debden Committee covering the General Manager's half-yearly review of the operation of the Printing Works.
3. A statement of a forthcoming retirement.

CS

The Deputy Governor commented on a statement on insider dealing which had been issued by the Council for the Securities Industry the previous day.

The Economic Report for September was introduced by the Governor who invited Mr. Dow to speak: a discussion followed.

At the Governor's invitation, Mr. McMahon spoke to the Court about prospects for the United States economy and a discussion followed.

Secretary
19th October 1978. *Mr.* *19/10/78*

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 19TH OCTOBER 1978

Present

Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

Sir George Adrian Hayhurst Cadbury

Sir Robert Anthony Clark, D.S.C.

John Martin Clay, Esq.

Geoffrey Ayrton Drain, Esq.

Leopold David de Rothschild, Esq.

John Standish Fforde, Esq.

Sir Hector Laing

Sir John Maurice Laing

Christopher William McMahon, Esq.

Sir Lionel Alexander Bethune Pilkington, F.R.S.

The Rt.Hon.Lord Robens of Woldingham

Sir David Edward Charles Steel, D.S.O., M.C.

Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Deputy Governor commented on the weekly Figures and the state of the markets.

The following were laid before the Court -

1. A statement of the Overseas Trade Figures for September.
2. The monthly Money and Banking Figures as at the 20th September. Attention was drawn to an analysis of non-bank private sector purchases of central government debt by type of instrument and it was mentioned that this information would be published monthly in future.
3. The quarterly analysis of Bank Advances as at the 16th August.
4. A Report from Sir Adrian Cadbury and Mr. Blunden on their visit to the Birmingham Branch.

G

The following were read and approved -

1. A Minute of the Committee of Treasury on the position of an Executive Director nominated to serve on the proposed Rockefeller Consultative Group on International Economic and Monetary Affairs.
2. A Minute on Appointments recommended by the Governors.

With reference to Minutes of the 17th August and earlier regarding the report of the Central Arbitration Committee on the Staff Organisation's claim under Schedule 11 of the Employment Protection Act for comparability of treatment in certain respects with staff in the clearing banks, the Deputy Governor said that the Staff Organisation had now decided to appeal against the award to the High Court.

Lord Nelson was granted permission to join the Board of Royal Worcester Limited.

H. G. ...
Secretary.

See

26th October 1978

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 26TH OCTOBER 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
 Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

Sir Robert Anthony Clark, D.S.C.
 John Martin Clay, Esq.
 John Christopher Roderick Dow, Esq.
 Leopold David de Rothschild, Esq.
 John Standish Pforde, Esq.
 Sir Hector Laing
 Sir John Maurice Laing
 Christopher William McMahon, Esq.
 Lord Nelson of Stafford
 Sir Lionel Alexander Bethune Pilkington, F.R.S.
 The Rt.Hon.Lord Robens of Woldingham
 Sir David Edward Charles Steel, D.S.O., M.C.

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly figures and the state of the markets. A discussion in general terms on the situation regarding the U.S. dollar followed.

The following were submitted and approved -

1. A Minute of the Charitable Appeals Committee on the making of a donation.
2. A Report of the Staff Committee on Educational Loan borrowing limits.

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The following were laid before the Court

1. A statement of the Unemployment Figures for October.
2. A statement of forthcoming retirements and a secondment.

With reference to Minutes of the 5th October and earlier, at the Governor's invitation Mr. McMahon spoke to the Court about the proposed new European Monetary System, outlining the problems facing prospective participants and explaining the harmonisation of policies that would be necessary to its successful operation.

With reference to a Minute of the 12th October, the Deputy Governor spoke about plans to bring forward legislation in order to make insider dealing a criminal offence and said that the Council for the Securities Industry had invited their representative bodies to give urgent consideration to the draft clauses on the subject which were contained in a recent White Paper.

The Governor referred briefly to the main points made by the Chancellor of the Exchequer in his speech at the recent annual Mansion House dinner.

J. G. H.

Secretary.

2nd November 1978.

See

A COURT OF DIRECTORS AT THE BANKON THURSDAY, THE 2ND NOVEMBER 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Sir Robert Anthony Clark, D.S.C.
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
Leopold David de Rothschild, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Sir Lionel Alexander Bethune Pilkington, F.R.S.
Sir David Edward Charles Steel, D.S.O., M.C.
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets. He also spoke about the measures in support of the U.S. dollar which had been announced the previous day.

The Governor said that the Official Reserves figures for the end of October, which were due to be published that afternoon, would reflect the pre-payment by the Government of a further \$1 billion to the International Monetary Fund.

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The Quarterly Report and Annual Report of the Committee to consider the Securities of Certain Funds were submitted and approved.

The Governor spoke to the Court about the recent meeting of the E.E.C. Committee of Governors in Brussels, and also about a meeting which had been held at the Bank on the previous Tuesday for the National Institute of Economic and Social Research.

The Governors and the Executive Directors having withdrawn, Lord Nelson introduced a Minute of the Committee of Treasury on the remuneration of the Members of the Court who rendered exclusive service. In approving the specific proposals submitted to them, including a recommendation that the remuneration of one Executive Director should be further enhanced to take account of additional responsibility, the Court expressed concern with the position of the Governor and the Deputy Governor, whose levels of remuneration ought to be adjusted in line with appropriate market analogues. They also agreed that there was a need to re shape the salary structure for Executive Directors when circumstances permitted: and they noted the special, and unusual, position of those Members of the Court who had been appointed from the staff and who were in receipt of a current pension from the Bank, in addition to a salary payable as a Director, and felt that this should be examined and that the matter should be brought back to the Committee of Treasury and the Court in due course.

J. H. G. H.
Secretary.

9th November 1978.

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A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 9TH NOVEMBER 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Sir Robert Anthony Clark, D.S.C.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Sir Lionel Alexander Bethune Pilkington, F.R.S.
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

The Governor went on to speak about the recent rise in the level of sterling short-term rates of interest, which reflected in part increases in interest rates overseas, especially in the United States, and in part uncertainties about the domestic monetary outlook. It was his view that an increase in Minimum Lending Rate should now be made, not only in recognition of that rise, but with the further intention of establishing a new level of short term interest rates suitable to the continuing restraint of monetary expansion. Accordingly, and with the approval of the

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Chancellor of the Exchequer, he proposed that there should be a change in the Bank's Minimum Lending Rate from 10% to 12½%: and this was approved.

The following were laid before the Court -

1. With reference to a Minute of the previous week, a statement of Official Reserves at the end of October.
2. The monthly report on Central Government Finance.
3. A Report from Lord Nelson and Sir Alastair Pilkington on their visit to the Newcastle Branch.
4. A statement of two forthcoming retirements.

Figures showing the results of the Banking Department's operations for the half year ended the 31st August 1978 were also laid before the Court. The Deputy Governor spoke about the possible outturn for the full financial year and the size of the provisions that might be required.

With reference to Minutes of the 26th October and earlier, the Governor spoke to the Court about developments regarding the proposed new European Monetary System and outlined the general considerations which would influence a decision on participation by the United Kingdom in the scheme.

With reference to Minutes of the 5th October and earlier, at the Governor's invitation Mr. Blunden reported that Ministers were now prepared, exceptionally, to authorise implementation of the proposed new separate structure for the Electronic Data Processing Staff. He said that it was hoped that the members of the Negotiating Council representing the Court of Directors would be able to reach agreement with the Staff Organisation on the detailed proposals in the following week.

At the Governor's invitation, Sir Adrian Cadbury spoke about the recent second national conference of the Confederation of British Industry.

Mr. de Rothschild was granted permission to join the Advisory Board of a proposed new financial services company to be established in Chile; and Sir Alastair Pilkington was granted permission to join the Board of the Chloride Group Limited.

[Handwritten signature]
 Secretary
 23rd November 1978

[Handwritten initials]

A MEETING OF DIRECTORS AT THE BANKON THURSDAY, THE 16TH NOVEMBER 1978Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
 Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.

Sir George Adrian Hayhurst Cadbury

John Martin Clay, Esq.

John Standish Pforde, Esq.

Sir David Edward Charles Steel, D.S.O., M.C.

Lord Weir

The number of Directors assembled being insufficient to form a Court, those present proceeded to the business, subject to ratification by the next Court.

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets. With reference to a Minute of the previous week, the Governor also spoke briefly about reactions, in the press and elsewhere, to the monetary measures announced on the 9th November.

The following were laid before the Meeting -

1. The monthly Money and Banking Figures as at the 18th October. A discussion in general terms on problems associated with monetary targets followed.
2. A statement of the Overseas Trade Figures for October.

A Minute on an Appointment recommended by the Governors was read and approved.

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With reference to Minutes of the previous week and earlier, Mr. Blunden reported that, in reaching agreement on the detailed proposals for a new separate structure for the Electronic Data Processing Staff at a meeting of the Negotiating Council earlier in the week, management had made the expected concession that the discount on the salaries of Banking Staff seconded to E.D.P. jobs should be only 10%; other union claims had been resisted. He said that 79% of the staff engaged on E.D.P. work had voted to accept the new proposals.

A Report of the Staff Committee on the Housing Loan Scheme, which contained proposals for the revision of the Scheme in the light of the recent comments of the Select Committee on Nationalised Industries, was submitted. After consideration of the issues raised, the Meeting agreed that the paper should be referred back to the Staff Committee (before being further considered by Committee of Treasury and Court) so that they might take account of points made in the course of discussion, particularly with regard to any concessions which might be offered in negotiations on the subject with the Staff Organisation and also on the need to emphasise that, whereas the present might not be an appropriate time to reduce the value of the housing loan benefit for existing staff, there was, nevertheless, an intention to raise interest rates gradually when conditions were less difficult for the staff.

A further Report of the Staff Committee on the Bank's policy relating to part time study was submitted and approved.

[REDACTED]

H. G. ...
Secretary.

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23rd November 1978.

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 23RD NOVEMBER 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
The Rt.Hon.Lord Robens of Woldingham
Sir David Edward Charles Steel, D.S.O., M.C.
Lord Weir

The Minutes of the Court of the 9th November were confirmed and those of the Meeting of the 16th November, which had also been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

The following were submitted and approved -

1. A Report of the Committee on Permanent Control of Expenditure.
2. With reference to Minutes of the 28th September and earlier, a Report of the Trustees of the Court Pension Scheme on the structure and administration of the new Scheme and the proposed provision for its funding.

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The following were laid before the Court

1. A statement of the Unemployment Figures for November.
2. A Report from Mr. Clay and Sir Hector Laing on their visit to the Leeds Branch.
3. A Report of the Staff Committee covering the Chief of Establishments' review of the Premises Division.

The Economic Report for October was introduced by the Governor who invited Mr. Dow to speak: a discussion followed.

The Governor spoke to the Court on the following matters

1. With reference to a Minute of the 20th July, the recent publication of the Banking Bill. He said that the second reading of the Bill was due to take place in the House of Commons that afternoon.
2. With reference to Minutes of the 20th July and earlier regarding the Wilson Committee, the submission by the Bank of a background paper on competition in banking.

With reference to Minutes of the 14th September and earlier regarding the productivity claim which had been submitted by the Staff Organisation, at the Governor's invitation Mr. Blunden reported that at a recent meeting the Advisory Conciliation and Arbitration Service had persuaded the Union to drop the claim.

The Governor informed the Court of the commendation earned by a member of the Supervisory Staff in the Accountant's Department who had recently advised the Government of Gibraltar on the technical arrangements for a local bond issue.

H. G. G. G.
Secretary.

30th November 1978.

Lee

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 30TH NOVEMBER 1976

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Leopold David de Rothschild, Esq.
John Standish Ffordge, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Sir Lionel Alexander Bethune Pilkington, F.R.S.

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

With reference to a Minute of the 16th November, a Report of the Staff Committee on the Housing Loan Scheme and a paper on Housing Loan borrowing limits were submitted and, after discussion of the issues involved, including the extent to which the proposals might represent a diminution of the facility which would be available to future members of the staff, the two items were approved.

With reference to a Minute of the previous week regarding the decision of the Staff Organisation to drop their productivity claim, at the Governor's invitation Mr. Blunden spoke about the ballot of their members currently being conducted by the Union on the question of withdrawing co operation with the Bank on all measures designed to improve efficiency or increase productivity.

A statement of forthcoming retirements and a secondment was laid before the Court. The Governor spoke of the commendations earned by two members of the staff who had, respectively, recently undertaken an advisory role on behalf of the Greek Government and completed a period of secondment to the Cabinet Office.

The Governor spoke to the Court on the following matters

1. The presentation of the Bank's oral evidence to the Wilson Committee in the following week.
2. The lecture which he had recently given to the Institute of Directors on the subject of "The Joint Stock Company Adapting to Change".

Letters from Messrs. McGrigor, Donald & Company having been submitted with five documents to be sealed -

Five Employer/Sub-Contractor Agreements, in duplicate, relating to the new Glasgow Agency

the Court approved thereof and

ORDERED

that the documents in question be sealed with the Common Seal of the Bank.

The current paper on World Payments Trends was introduced by the Governor who invited Mr. Dow to speak.

R. Hancock
Asst. Secretary

M. 7/12/78.

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 7TH DECEMBER 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor

George Blunden, Esq.
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Sir David Edward Charles Steel, D.S.O., M.C.
Lord Weir

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

The following were laid before the Court

1. A statement of the Official Reserves at the end of November.
2. The monthly report on Central Government Finance.
3. A Certificate, signed by the Secretary, of the affixing of the Bank's Seal ordered on the 30th November.

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The Governor spoke to the Court on the following matters -

1. With reference to Minutes of the 9th November and earlier, developments regarding the new European Monetary System.
2. With reference to a Minute of the previous week, the presentation of the Bank's oral evidence to the Wilson Committee.

At the Governor's invitation, and with reference to Minutes of the previous week and earlier, Mr. Blunden spoke to the Court on the following matters

1. A proposed revision of the Redundancy Procedure Agreement to take account principally of current legislative requirements.
2. The acceptance, by the Union, of the proposal to increase the Housing Loan borrowing limits by 18%.
3. The reply by the Chancellor to the Governor's letter regarding the Central Arbitration Committee's qualified rejection of the Union's Schedule 11 claim for comparability with the Clearing Banks, particularly with reference to the London Allowance. The Chancellor had taken the line that the view expressed by the Central Arbitration Committee to the effect that the shortfall in the Bank's London Allowance was an outstanding unfairness, was not relevant to the interpretation of Pay Policy guidelines.
4. The Union's ballot of members on their proposal to cease co operation with the Bank on all measures designed to improve efficiency or to increase productivity which had resulted in a majority in favour of the proposal. It was expected that the Union would report the result to their members shortly and indicate to them five ways in which they should withdraw their co operation. The most serious, from the Bank's point of view, was a suggestion that staff should refuse to be measured by clerical work improvement teams from the Business

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Systems Division, since such refusal could only result in a stoppage of work, in which case there would be no alternative but to suspend them without pay after a suitable warning and a 24 hour cooling off period. It was the general view of the Court that an early confrontation on this issue should be avoided if at all possible.

At the Governor's invitation, Mr. de Rothschild spoke about impressions gained during his recent visit to Mexico.

de Rothschild

Secretary

14th December 1978.

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A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 14TH DECEMBER 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
John Christopher Roderick Dow, Esq.
Leopold David de Rothschild, Esq.
John Standish Fforde, Esq.
Sir Hector Laing
Sir John Maurice Laing
Christopher William McMahon, Esq.
Lord Nelson of Stafford
Sir Lionel Alexander Bethune Pilkington, F.R.S.
Sir David Edward Charles Steel, D.S.O., M.C.

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

The following were laid before the Court -

1. The monthly Money and Banking Figures as at the 15th November.
2. A Report from the Board of Directors of B.E.Services Limited for the period ended the 28th February 1978.

The Economic Report for November was introduced by the Governor who invited Mr.Dow to speak. Mr.Dow also commented on the concluding Assessment of the December edition of the Quarterly Bulletin published that day: a discussion on these matters followed.

With reference to Minutes of the previous week and earlier, at the Governor's invitation Mr. Blunden reported on developments following the Union's decision to instruct their members to cease co-operation with the Bank in all measures designed to improve efficiency or to increase productivity. He said that the present delicately balanced situation would be likely to continue until after the Union's elections had been held in January.

With reference to Minutes of the 20th July and earlier regarding the complaint made by a firm of foreign exchange brokers named Sarabex Limited to the European Commission, the Governor informed the Court that, after lengthy negotiations, the Bank had agreed to make various amendments to the arrangements enshrined in a letter from the President of the British Bankers' Association to all authorised banks in London so as to gain acceptance from the Commission that the arrangements as a whole were compatible with the Community's rules for competition.

With reference to Minutes of the 5th October and earlier regarding the Southampton Branch, the Deputy Governor spoke about an examination of the security risks affecting the bullion yard there which had been carried out by the Security Force. He said that they had concluded that the installation of metal spikes around the bullion yard walls, at a cost of about £3,500, should provide adequate additional protection. The Court approved this recommendation.

With reference to a Minute of the 29th June about the need to find a suitable site for a new computer system for the Accountant's Department, the Deputy Governor reported that an examination of possible locations had been undertaken and he explained that the balance of advantage lay with leasing some accommodation to be vacated shortly at No. 16, Finsbury Circus. The Court expressed themselves as content, in principle, with the proposal outlined to them.

Sir Hector Laing was granted permission to join the Board of Allied Breweries Limited.

H. Laing
Secretary

21st December 1978.

Len

A COURT OF DIRECTORS AT THE BANK

ON THURSDAY, THE 21ST DECEMBER 1978

Present

The Rt.Hon.Gordon William Humphreys Richardson, M.B.E., Governor
Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.
Sir George Adrian Hayhurst Cadbury
Sir Robert Anthony Clark, D.S.C.
John Martin Clay, Esq.
John Christopher Roderick Dow, Esq.
Geoffrey Ayrton Drain, Esq.
Sir Lionel Alexander Bethune Pilkington, F.R.S.

The Minutes of the last Court, having been circulated, were approved.

The Governor commented on the weekly Figures and the state of the markets.

The following were laid before the Court

1. A statement of the Overseas Trade Figures for November. The Governor referred to earlier forecasts for the current account balance for the year as a whole and commented that the likely outcome was both disappointing and unsatisfactory.
2. A statement of the Unemployment Figures for December.

With reference to Minutes of the previous week and earlier, at the Governor's invitation Mr.Blunden again reported on developments following the Union's decision to instruct their members to withdraw from co-operation with the Bank. He said that so far the Union's action had had only minimal effect and he mentioned that in the New Year the Staff Committee would be submitting proposals which might help towards bringing the present situation to an end.

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A Minute on an Appointment recommended by the Governors was read and approved.

A letter from Messrs.Freshfields having been submitted together with a document to be sealed

The Lease relating to the Bristol Branch extension the Court approved thereof and

ORDERED

that the document in question be sealed with the Common Seal of the Bank.

At the Governor's invitation

1. Mr.Drain spoke about the possible course of wage settlements in the light of the Government's present pay policy: a discussion followed.
2. Sir Alastair Pilkington commented on impressions gained during his recent visits to India, Australia and New Zealand.

W. L. G. J.
Secretary.

J. L.

4th January 1979.

A MEETING OF DIRECTORS AT THE BANK

ON THURSDAY, THE 28TH DECEMBER 1978

Present

Sir Jasper Quintus Hollom, K.B.E., Deputy Governor

George Blunden, Esq.

Sir George Adrian Hayhurst Cadbury

John Martin Clay, Esq.

Geoffrey Ayrton Drain, Esq.

Leopold David de Rothschild, Esq.

Sir Lionel Alexander Bethune Pilkington, F.R.S.

Sir David Edward Charles Steel, D.S.O., M.C.

The number of Directors assembled being insufficient to form a Court, those present proceeded to the business, subject to ratification by the next Court.

The Minutes of the last Court, having been circulated, were approved.

The Deputy Governor commented on the weekly Figures and the state of the markets.

The following were laid before the Court

1. A Report of the Staff Committee on Banking Staff Wastage.
2. A Report from Mr. de Rothschild and Mr. Dow on their visit to the Liverpool Branch.
3. A Certificate signed by the Secretary of the affixing of the Bank's Seal ordered on the 21st December.

The Quarterly Report of the Audit Committee was submitted and approved.

H. G. G. G.
Secretary

4th January 1979

Len

