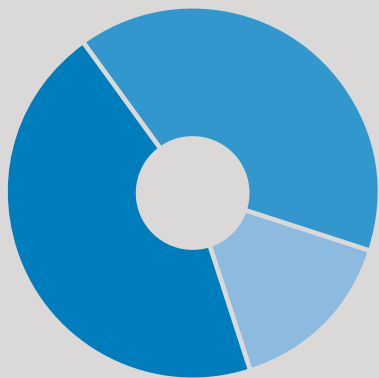




Forecasting change

Do you think there are likely to be any more significant changes to the UK corporate governance regime this year, in light of the ongoing discussions about risk, board composition and narrative reporting?



45%: Yes, I think there may yet be more changes

40%: No, I think it will stay as it is

15%: I don't know

Chartered Secretary and Company Secretarial Services have joined forces to bring you the 'Quick question', in which we will put topical questions to our pool of respondents to gauge the feelings of the profession on key developments. For our first poll it seemed appropriate to look to the year ahead and consider the potential impact of key legislation on the work of company secretaries.

One piece of legislation that respondents certainly seemed aware of was the Bribery Act. Despite the fact that we still await clarification on the exact timetable for implementation of this legislation, 85 per cent of respondents said that they had either already taken measures to account for it or they knew that they would be doing so. In contrast only 9 per cent said that they did not have plans to account for the Act

because it did not affect their business.

We went on to ask if respondents had done anything to change their employment procedures in light of the abolition of the Default Retirement Age. The responses here were a little more even, 32 per cent replied that yes their company had already absorbed this change, but 37 per cent responded that they had not taken any action yet. Of the remaining respondents, 21 per cent said that the abolition of the Default Retirement Age would not change their existing arrangements and 10 per cent said they did not know if there had been a change to their company's procedures.

When responding to the question of whether they had made preparations for the introduction of the auto-enrolment pension scheme, 47 per cent of respondents said that preparations had yet to begin and only 19 per cent said that they had made preparations. A quarter of respondents felt that they would not be making any preparations.

As we moved to the issue of stewardship and the Stewardship Code, a staggering 71 per cent of respondents felt that the Stewardship Code had not had any impact on their company's relations with investors, and

only 3 per cent had noticed a change in that relationship. Perhaps, however, this is a fair gauge of success for an initiative which is still only a few months old and which is the first of its kind in Europe.

Finally, we asked if there were likely to be any more significant changes to the UK corporate governance regime this year, in light of the ongoing discussions about risk, board composition and narrative reporting. The verdict was very much split, 45 per cent said that yes there may well be further changes, and 40 per cent responded that no, the regime would stay as it is, 15 per cent were unsure one way or the other. Of those who expanded on their feeling that there would be further change, many specified that they anticipated change in the boardroom, be it a change in board composition or a requirement for boards to be more transparent in their dealings. Others saw change coming from Europe in relation to comply or explain, as well as potential changes to narrative reporting requirements. Interestingly, one respondent who replied that there would not be change in the next year stated that this was because of a suspicion that discussion as to what should be changed would still be ongoing in a year's time!



Conducted in association
with Company Secretarial Services

If you're a company secretary of a leading UK business, and you'd like to take part in or comment on future surveys, e-mail Caroline Evans at cje@blt.co.uk.