

# Press release: Increase in BME workplace progression could give UK economy a £24bn boost – Baroness McGregor-Smith Review finds

- GDP could increase by up to 1.3 per cent a year if workers from BME backgrounds progressed at the same rate as their white colleagues
- Businesses with more than 50 employees urged to publish breakdown of workforce by race and pay band
- New Business Diversity and Inclusion Group announced to make sure government and industry work more closely to improve representation, inclusiveness and opportunities in the workplace

The UK economy could benefit from a £24bn-a-year boost if black and minority ethnic (BME) people progressed in work at the same rate as their white counterparts, a government-backed review has found.

The independent Baroness McGregor-Smith Review, which has been published today, found people from BME backgrounds are still being held back in the workplace because of the colour of their skin, costing the UK economy the equivalent of 1.3 per cent in GDP a year.

The review also found employment rates for people from BME backgrounds are 12 per cent lower than their white counterparts at 62.8 per cent, with just six per cent reaching top level management positions.

People from BME backgrounds are also more likely to work in lower paid and lower skilled jobs despite being more likely to have a degree, the report reveals.

In a series of recommendations, the review calls for large employers should lead the way in tackling barriers to BME progression, calling on companies with more than 50 employees to:

- Publish a breakdown of their workforce by race and pay band
- Draw up five-year aspirational diversity targets
- Nominate a board member to deliver on these targets

## **Baroness McGregor-Smith said:**

“The time for talk on race in the workplace is over, it’s time to act. No-one should feel unable to reach the top of any organisation because of their race.

“If businesses and the Government act on my recommendations, it will show everyone from a minority background that Britain’s workplace is for everyone not just the privileged few.

“The consequences of continuing to do nothing will be damaging to the economy and to the aspirations of so many. So from the Cabinet table to the board rooms, there is no more time for excuses – just change.”

The Government has today also announced that a Business Diversity and Inclusion Group will be set up and chaired by Business Minister Margot James. It will bring together business leaders and organisations to coordinate action to remove barriers in the workplace and monitor employers’ progress.

The group will also bring together the leaders of three industry-led diversity reviews:

- Baroness McGregor-Smith
- Sir Philip Hampton and Dame Helen Alexander, who are leading a review aimed at increasing female leadership in FTSE companies
- Sir John Parker, who today concludes a consultation on recommendations to increase BME representation in the boardroom, to participate in the group

This highlights the importance government places on working with business to build an economy that works for everyone.

**Business Minister Margot James said:**

“It is very wrong that so many barriers lie in the way of people from ethnic minority backgrounds. Outdated attitudes or lack of awareness about ethnicity, in the workplace must be challenged.

“As this report shows, the economic benefit of harnessing untapped talent is huge and I urge employers to implement these recommendations to ensure everyone can reach the top of their career – whatever their background.

“I would like to thank Baroness McGregor-Smith for helping to shine a light on this important issue. We need to work together to build an inclusive culture in the workplace.”

The review found large employers like the NHS, KPMG and RBS have benefitted from increased innovation, more effective teamwork and a better understanding of customer demands by harnessing BME talent.

As part of the recommendations, Business in the Community (BITC) has agreed to publish an annual list of Best 100 Employers to celebrate success and highlight best practice.

**Sandra Kerr, Race Equality Director at BITC, said:**

“As this review clearly shows, harnessing the very best of BME talent is the only way forward that makes sense for employers. But this change has to be business led.

“The annual list of ‘Best 100 Employers for Race’ will showcase businesses at their best and spur other employers on to improve diversity and inclusion in the workplace.”

#### **Notes to editors**

1. 14 per cent of the working age population come from BME background, which is expected to rise to 21 per cent by 2051.
2. The review also found 15.3 per cent of BME workers would like to work more hours compared to 11.5 per cent of white workers.
3. Almost 500 individuals and companies responded to Baroness McGregor-Smith’s call for evidence, including a host of FTSE 100 companies.
4. The Government has invited the following individuals and organisations to be founder members of the Business Diversity and Inclusion Group, which will meet quarterly:
  - Baroness Ruby McGregor-Smith
  - Sir Philip Hampton and Dame Helen Alexander
  - Sir John Parker
  - Equalities Minister Caroline Dinenage
  - Confederation of British Industry
  - Institute of Directors
  - BITC
  - Financial Reporting Council
  - Equality and Human Rights Commission
5. Business in the Community offers businesses a number of practical ways tackle social and environmental issues in the workplace.
6. Anonymised case studies can be provided on request

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## **[Press release: Charity Commission publishes report on Garden Bridge Trust](#)**

The Charity Commission, the independent regulator of charities in England and Wales, has today published [its findings](#) into the [Garden Bridge Trust](#) (registered charity number 1155246).

The regulator’s case examined the charity’s governance, specifically whether the trustees were meeting their legal duties and whether the charity was complying with charity law. It did not examine matters such as the merits of

the project or how it is funded. These issues are outside its regulatory remit. The National Audit Office has published an investigation into the Department for Transport's £30 million grant towards the construction of the project and, separately, Dame Margaret Hodge MP is conducting a review of the project, including its value for money.

The Commission inspected the charity's books and records and met trustees and staff from the charity to examine:

- the awarding of contracts by the charity, including whether conflicts of interest had been declared and properly managed
- the due diligence carried out by the charity and the charity's ability to carry out a project of this size
- the funding, structure and governance of the charity

The Commission found that the trustees were meeting their duties and were acting in compliance with charity law.

The Commission also found that the processes for awarding of contracts appear to have been robust. However, trustees did not fully explore the opportunities to compare the critical paths of other comparable infrastructure projects and thus better enable themselves to assess project risk.

The Commission examined the management of conflict of interests within the charity and found that they were managed in line with the charity's policy. The regulator can also confirm that benefactors were not party to contracts made by the charity.

The trustees of the charity met required standards of financial management and were able to justify the high forward spend made by the charity and account for the spend to date. The Commission considers that the trustees could make improvements to their annual reporting, to provide greater insight to the progress made and challenges addressed in the last financial year.

Further, the charity holds no reserves but expects to meet any obligations from the use of its restricted funds. Given the reliance on using restricted funds, the regulator would have expected a fuller description of how these funds could be used with greater detail on how the charity would meet its liabilities in the event of closure.

The charity cooperated fully with the Commission throughout its case.

**David Holdsworth, Chief Operating Officer at the Charity Commission said:**

We have been able to offer public assurance that the Garden Bridge Trust is meeting its obligations as a registered charity and that it has the proper financial controls in place. We are aware of the considerable public debate regarding this project. Our role is not to comment on the merits of the project but to assess concerns about its governance and ensure it is compliant with the legal framework for charities.

This case shows that high profile charities can attract considerable public scrutiny, and the public rightly expect charities to be transparent and accountable. Having trustees in place with the right skills and experience is crucial for a charity to operate effectively.

The Commission [publishes reports](#) regarding its compliance cases where it is appropriate and proportionate to publish a report, there is significant public interest in the case and its outcome and/or other charities need to be aware of the issues or lessons in the case.

The full report is available on [GOV.UK](#).

Ends

PR 12/17

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#### Notes to editors

1. [The Charity Commission](#) is the independent regulator of charities in England and Wales. To find out more about our work, see our [annual report](#).
  2. Search for charities on our [online register](#).
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## [Sneaking out announcement asking departments to model cuts of 3 per cent and 6 per cent is no way to manage public spending – John McDonnell](#)

**John**

**McDonnell MP, Labour's Shadow Chancellor**, commenting on reports that the Treasury has asked government departments to prepare for cuts of 3 per cent and 6 per cent, for 2019/20, said:

“For all Hammond's talk of ‘resetting’ the Tory Government's economic policy last summer it is now beyond doubt that Hammond represents more of the same Tory austerity.

"Sneaking out an announcement asking departments to model cuts of 3 per cent and 6 per cent for 2019/20 is no way to manage public spending.

"Hammond urgently needs to explain why this announcement was made in the way it was and why after seven years of failed austerity he thinks more of the same will now work."

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## [News story: Minister Wharton reinforces UK support for refugees in Uganda](#)

During the week that famine has been declared in some parts of South Sudan, Minister Wharton saw the life-saving impact of UK aid in Uganda when he visited a centre where refugees are registered and longer term refugee settlements near the border with South Sudan. Uganda now hosts over one million refugees, with the vast majority from South Sudan.

With five million people in neighbouring South Sudan facing the threat of going without enough food and almost 2,400 people every day being forced to flee their homes from devastating conflict and cross the border into Uganda, the UK's support is getting urgently needed food, water and medicine to those in desperate need.

Minister Wharton met with women and children at Impevi refugee centre and Rhino settlement area in Northern Uganda, who have been displaced by the horrors of war and sexual violence. He heard about the challenges of getting life-saving humanitarian aid to those who need it.

In 2016, the UK's support to refugees in Uganda has provided:

- food for 650,000 people including 45,000 children
- shelter for 56,250 people
- blankets, water containers and sanitary towels for 64,000 people and
- vaccinated 210,000 children.

International Development Minister James Wharton said:

South Sudan faces an urgent and severe humanitarian crisis with almost half the population in desperate need, which impacts on the whole region. The first famine for six years has now been declared and the threat of starvation and ongoing violence is forcing over one million people to flee their homes and seek refuge in neighbouring countries like Uganda.

"Uganda is now home to more refugees than any other country in Africa, and I

was proud to see first hand that lives are being saved every day with the UK's support. Alongside this, Uganda has one of the most progressive refugee policies in the world, where refugees are given land, jobs and integrated into communities, giving people fleeing conflict hope for the future.

"The UK will continue to play a leading role in helping encourage the longer-term stability of both South Sudan, Uganda and the broader region."

Minister Wharton also met with British businesses in Uganda and the Ugandan Minister for Trade Amelia Kyambadde to discuss further trade and investment opportunities which will boost economic development and help the poorest stand on their own two feet, while also benefiting UK companies.

As set out in [DFID's Economic Development Strategy](#), UK support is helping Uganda and other countries industrialise faster, trade more and create new and productive jobs for its growing young population.

On a trip to a local family planning clinic in Kanyogoga, a settlement in Kampala, the Minister met people who are benefiting from a UK-aid supported programme that is increasing access to quality family planning services in Uganda, where half of the population of is under 15 and women have, on average, six children. Family planning is an integral part of planning for Uganda's future.

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## [Jonathan Ashworth calls for guarantees over NHS lost letters scandal](#)

**Jonathan Ashworth MP, Labour's Shadow Health Secretary**, following the statement in the House of Commons about the 700,000 patient letters lost by NHS Shared Business Services, has today written to Jeremy Hunt to demand further assurances for the public and said:

"The statement contained no reassurance that you had got to the bottom of what happened in the first place.

"You repeatedly blamed the problem on contractors but failed to acknowledge that this error was committed by a company part owned by your Department, over a period of several years during your time as Secretary of State.

"How on earth did it happen that NHS Shared Business Services, failed to send so many letters and instead just left them lying in a warehouse?

How much money and staff time has been wasted by this incident?

“Patients and their families will need much more reassurance that the Government actually has a plan to make sure this never happens again.”

**Ends**

**Notes to editors**

. In  
Section 12 of the NHS SBS Standard Purchase Terms and Conditions it clearly states that there should be regular updates including of data breaches –  
“12.3.1  
*have a named person able to communicate with NHS SBS, who will take the lead for information governance and from whom NHS SBS and the Client shall receive regular reports on information governance matters, including but not limited to details of all incidents of data loss and breach of confidence”*

Full Sopra Steria Terms and Conditions here:

<http://www.soprasteria.co.uk/docs/librariesprovider41/Policy/nhs-sbs-standard-terms-and-conditions-v2-jan2015>

. Full  
text of Jonathan Ashworth letter to Jeremy Hunt below.

Dear Jeremy

**Follow up letter on NHS Shared Business Services**

Thank you for your response to the Urgent Question in this House this afternoon about the 700,000 letter undelivered by NHS Shared Business Services between 2011 and 2016. The public will be relieved to hear that, through sheer luck, no incidents of patient care have yet been identified. However it is enormously frustrating that you had to be forced to the House to give this update. Will you commit to publishing the advice you received on which basis you chose not to make the details of this incident clear at an earlier date?

The statement contained no reassurance that you had got to the bottom of what happened in the first place. You repeatedly blamed the problem on contractors but failed to acknowledge that this error was committed by a company part owned by your Department, over a period of several years during your time as Secretary of State. How on earth did it happen that NHS SBS failed to send so many letters and instead just left them lying in a warehouse? How much money and staff time has been wasted by this incident? Patients and their families will need much more reassurance that the Government actually has a plan to make sure this never happens again.

Who

in your Department was responsible for keeping a watch on this company? Sopra Steria's contract for delivering the NHS SBS service states: "NHS SBS and the Client shall receive regular reports on information governance matters, including all incidents of data loss." How often did you receive updates about

the work of this company part owned by his Department, as required under the contract signed by Sopra Steria? Will you publish these updates? Will you publish any reports relating to data loss which were received by NHS SBS or your Department since 2011?

Your initial statement last July said the problem was limited to three areas of the country – South West England, East Midlands, and North East London – will you commit to publishing a full breakdown of the whereabouts of the patients who were affected, as promised to

Members today? What guarantees can you offer about the delivery of letters to patients in other parts of the country?

Where was this warehouse where all these letters were lying undelivered, and had anyone from your Department been there

during the years 2011 to 2016? What guarantees can you give that no further warehouses of undelivered patient letters are yet to be discovered? Were these

all the letters that NHS SBS were commissioned to deliver during this time or only a part of them? Were NHS SBS paid for the delivery of these letters, and if so will this money be recovered? What action are you taking to address this

astonishing waste of public funds on your watch? Has an apology been offered to

the NHS staff, both in hospitals and GP surgeries, whose time and effort has been wasted by this case?

Finally will you commit to returning to the House once your enquiry is finally completed to update the house on the final cost and impact for patients, and to explain what measures you are putting in place to make sure an incident like this never happens again?

Yours sincerely

Jonathan

Jonathan Ashworth

**Shadow Secretary of State for Health**