

News story: UK Asset Resolution sale of an £860 million mortgage portfolio

The sale of an £860 million equity release mortgage portfolio, owned by Bradford & Bingley (B&B) and NRAM Limited (formerly part of Northern Rock), has been authorised by the Chancellor.

These mortgages were acquired by the taxpayer during the financial crisis and their sale simplifies the books of both B&B and NRAM, bringing the government closer to the final wind-down of these companies. It also marks a milestone in the plan to recover taxpayers' money – ten years on.

Following a highly competitive auction, these mortgages will be sold to Rothesay Life, a Financial Conduct Authority and Prudential Regulation Authority regulated firm.

There will be no changes to the terms and conditions of the mortgages sold. Borrowers do not need to take any action.

UK Asset Resolution (UKAR), the holding company for B&B and NRAM, will also at the same time terminate interest rate swaps, which hedge the risk of changes in interest rates, held against these mortgages. These swaps were taken out by B&B and Northern Rock more than 10 years ago when the loans were issued, in line with good risk management practice. Due to the fall in long term interest rates, there is a substantial cost for terminating the swaps which is expected to exceed the profit on the sale of the loans, resulting in a net overall accounting loss on the two transactions.

The assets will be sold for a price above their book value. Proceeds from this sale will be used to pay down the national debt. However, given the unwinding of the swaps, national debt will be reduced by an amount which is less than the sale proceeds. These figures are subject to an adjustment mechanism and will be known when the transaction completes in the next few weeks, and subsequently disclosed to Parliament.

The Chancellor of the Exchequer, Philip Hammond said:

We're continuing to recover the money the taxpayer committed during the financial crash, and the sale of these loans moves us one step closer. The proceeds of this sale will go towards reducing our national debt.

B&B's and NRAM Limited's closed loan books are managed by UKAR on behalf of the taxpayer. Following this transaction, UKAR now owns c.£13 billion worth of assets, down from £21 billion in September 2017 and from £116 billion in 2010.

As a result of this transaction UKAR expects to repay approximately £1

billion of the government loan which is made up of a number of components in addition to the actual sales proceeds. Following repayment, UKAR will have repaid 94% of its loans from the government.

[News story: UK Asset Resolution sale of an £860 million mortgage portfolio](#)

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[Press release: Cash boost for charitable prison and probation projects](#)

- charities and social enterprises given support for projects to promote wellbeing, improve rehabilitation and reduce reoffending
- part of commitment to support the third sector in delivering vital rehabilitative services

Offenders will be able to learn vital skills to help them back into work after release thanks to £2.4 million funding announced today (27 September 2018).

Grants have been awarded to 13 charitable organisations and social enterprises as part of new Her Majesty's Prison and Probation Service (HMPPS) funding.

The grants have been awarded to a wide range of organisations providing everything from support into employment for female abuse victims to training for prisoners in computer programming.

Evidence shows having sustainable work on release significantly reduces reoffending; the support provided by these charities will help prisons promote employment opportunities for those who have been in custody.

Earlier this year the Secretary of State, David Gauke, announced the Education and Employment strategy, which will provide a new focus on work as having the potential to provide a foundation for a better life for people who have been in contact with the criminal justice system.

Prisons Minister Rory Stewart said:

I am delighted to be able to award this funding and have such a wide range of innovative organisations on board and ready to

support offenders both in and out of prison.

This investment shows that we are committed to supporting the role of the third sector in delivering vital rehabilitative services.

Charities and social enterprises are crucial in helping us to provide better rehabilitation, promote wellbeing and ultimately reduce reoffending and I look forward to seeing the positive impact of these grants over the coming years.

Digby Griffith, Executive Director for Rehabilitation and Assurance, and Chair of the HMPPS Grants Board said:

We received a high calibre of applications and it is fantastic to be able to give these voluntary sector and social enterprise organisations the opportunity to test their innovative ideas within a HMPPS setting.

I am delighted to award this funding and I look forward to seeing the projects progress over the next 2 years.

The organisations were asked to submit innovative bids that met with seven key themes aimed at improving rehabilitation, promoting wellbeing and reducing reoffending.

As part of a comprehensive bidding process which saw over 200 applications for funding, the 13 successful applicants can be announced today, they are:

- St Giles Trust
- Barnardo's
- NEPACS
- National Autistic Society
- Rape and Sexual Abuse Counselling Centre (Darlington & County Durham)
- Shared Enterprise CIC
- No Place Productions
- Birth Companions
- Samaritans
- Design Against Crime Research Centre
- Code4000
- Institute of Criminology, University of Cambridge
- Safer Living Foundation

The new money will be invested over 2 years, allowing a wide variety of voluntary sector and social enterprise organisations to develop their projects in a range of different environments across England and Wales – from Camden to Kirkham.

Code4000 will teach prisoners computer programming skills, Design Against Crime Research Centre will work with offenders to design and pilot new anti-vandal and safe cell furniture, while the Rape and Sexual Abuse Counselling

Centre (Darlington & County Durham) will support women who have experienced sexual violence to help them find employment on release.

The aim of the HMPPS grant programme is to improve the lives of offenders by applying the expertise, skills and ideas of voluntary, community and social enterprise (VCSE) organisations.

Community based organisations are often best placed to identify local needs and respond flexibly to engage with hard to reach groups, such as offenders and those at risk of offending.

This has been proven through the Grants Programme which has been the starting place for several activities, projects, products and ways of working which now form part of HMPPS core business.

Thanks to grant-funding, many projects are now embedded into HMPPS approaches. These include the Prison Listener Scheme, work undertaken by Unlock to help prisoners open bank accounts, family engagement workers, mentoring schemes and National Prison Radio.

[News story: Leading business leaders and academics join forces with government to make manufacturing 'smarter'](#)

- first meeting of the Made Smarter Commission includes senior members from Airbus, EEF, BAE Systems and the TUC
- the commission will drive the boosting of productivity, create more highly-skilled jobs in the manufacturing industry
- the meeting co-chaired by Business Secretary and Siemens CEO Professor Juergen Maier follows the Made Smarter Review in November 2017

The commission has been established to drive forward digital developments in British manufacturing to boost productivity, create more highly-skilled jobs and enable more efficient, cleaner production systems, as part of the government's modern [Industrial Strategy](#).

Mr Clark and Juergen Maier will be joined by 8 women and 9 men from the some of the world's leading businesses, and trade bodies and academic institutions.

Key priorities for the first meeting include discussing the North West pilot for adoption of digital technology by manufacturers in the North West and the Industrial Strategy Challenge Fund bid for digital manufacturing in

development which aims to bring together the UK's world-leading research with business to meet the major industrial and societal challenges of our time.

The commission will also discuss the how the manufacturing industry can be transformed by new techniques such as 3D printing and other innovative uses of digital technologies as well as the need for stronger and more ambitious leadership.

Business Secretary Greg Clark said:

Britain has a long and proud manufacturing heritage currently supporting 2.7 million jobs across the country, and through our modern Industrial Strategy we are creating opportunities for UK manufacturing to continue to grow. The increased adoption of digital technologies will bring enormous benefits potentially generating £455 billion over the next 10 years – boosting productivity, creating thousands of new highly skilled jobs and enabling more efficient, cleaner production systems.

We need strong partnership between government and industry which is exactly why we have established the Made Smarter Commission. I am proud that leading men and women from industry, business and academia are working with us to turn the ambition into a reality and enable everyone to reap the rewards.

The commission was formed following the launch of the [Made Smarter Review](#) that brought together input and recommendations from over 200 stakeholders, including companies such as Rolls Royce, GKN, IBM, and Accenture. The review had substantive input from SME's as well as academic institutions including the University of Newcastle and the University of Cambridge.

The Made Smarter Commission is designed to oversee and take forward a plan for the sector, including how manufacturing will help realise the Grand Challenges, putting the industry at the heart of the government's modern Industrial Strategy.

Stephen Phipson CBE, EEF CEO said:

As a society we face huge challenges and manufacturing is going to play an ever more key role in how we tackle them. The establishment of the commission is a bold step in harnessing the expertise right across our sector and companies right across the spectrum should applaud the government for setting it up. We look forward to helping it play a key role in helping unleash the potential of manufacturing as part of the fourth industrial revolution and a modern industrial strategy.

Juergen Maier, CEO of Siemens said:

The Made Smarter Commission promises to deliver our core recommendation of driving digitalisation across UK and invigorating industrial strategy. We need now more than ever to unite business, employees and government behind a strategy that boosts industrial productivity and improves living standards. We will build on our North West Pilot, and look at how we can scale our efforts up across the country. If we get this right I believe we can kick start a new industrial revolution, that puts digital tech at the centre of economic policy making.

The UK sits in top 10 largest global manufacturing economies and is the fourth largest in the EU. In 2017, manufacturing GVA totalled £186 billion, supporting 2.7 million jobs (with estimates of 5 million across the whole manufacturing value chain) and still accounts for 48% of the UK total exports of goods and services.

Chairs

- Co-Chair: Rt Hon Greg Clark MP, Secretary of State, Department for Business, Energy and Industrial Strategy (BEIS)
- Co-Chair: Prof Juergen Maier, CEO Siemens UK

Members

- EEF: Dame Judith Hackitt, Chair
- GSK: Regis Simard, President Pharma Supply Chain
- GE Digital: Deborah Sherry, Chief Commercial Officer
- Renishaw Plc: William Lee OBE, CEO
- Royal Academy of Engineering: Dr Hayaatun Sillem, CEO
- ICW: Margaret Wood MBE, Chair
- Lambert Engineering: Mike Lewis, Associate Sales Director
- Confederation of British Industry (CBI): Carolyn Fairbairn, CEO
- ABB limited: Ian Funnell, CEO
- Nestle UK and Ireland: Dame Fiona Kendrick, Chair and CEO
- Rolls Royce Plc: Hamid Mughal OBE, Director for Global Manufacturing
- TUC: Frances O'Grady, General Secretary
- Accenture: Oliver Benzecry, Managing Director
- Airbus UK: Katherine Bennett OBE, Senior Vice President
- BAE Systems Plc: Nigel Whitehead CBE, Chief Technology Officer
- AT Engine Controls: Andrea Hough OBE, Managing Director
- Jaguar Land Rover Ltd: Grant McPherson, Executive Director (Deputy attending, Graham Jones, Advanced Manufacturing Engineering Director)

[**News story: Es Devlin OBE to design UK**](#)

Pavilion at Expo 2020 Dubai

Award-winning British artist Es Devlin OBE is set to design the UK Pavilion at [Expo 2020 Dubai](#). The Pavilion will be the centrepiece of the UK's presence at the Expo – highlighting UK expertise in artificial intelligence and the space sector.

The UK Pavilion at Expo 2020 Dubai will be produced by the London and Dubai based global brand experience agency Avantgarde. The Department for International Trade will lead the UK government's presence with cross-government support.

The Expo will be visited by an estimated 25 million people in the six months from October 2020 to April 2021. World Expos offer the UK a significant opportunity to communicate directly with millions of people, strengthening British soft power and enhancing the UK's reputation on a global stage.

Expos also offer more tangible benefits – they give the UK a platform to attract investment, grow trade, increase tourism and encourage people to study in the UK.

Es Devlin OBE is known for creating stunning large-scale performative sculptures that fuse technology and poetry, including the interactive Fifth Lion sculpture installed in Trafalgar Square. Her dramatic design for the UK Pavilion is an illuminated sculptural message to which each of the Expo's anticipated 25 million visitors will be invited to contribute.

Explaining her inspiration for the project and what she hopes it will achieve, Es Devlin OBE said:

The idea draws directly on one of Stephen Hawking's final projects, 'Breakthrough Message', a global competition that Hawking and his colleagues conceived in 2015 inviting people worldwide to consider what message we would communicate to express ourselves as a planet, should we one day encounter other advanced civilisations in Space.

What if the UK Pavilion at Expo 2020 became a place where visitors from all over the world chose to take part in a collective global project that showcases British expertise in AI technologies and poetry while transcending national identities.

The Pavilion's 20 metre high glowing LED façade will beam out a collective AI-generated global message

International Trade Secretary Dr Liam Fox MP said:

The quality of design proposals we received for the UK Pavilion were testament to the UK's world leading creative talent and I'm

confident that Es Devlin OBE and the team will help us take advantage of this unique opportunity to showcase the very best of British to a truly global audience.

Over six months, my international economic department will help the UK connect with more than 25 million Expo visitors – that's 25 million potential buyers for our products, partners for our firms, tourists for our cities and students for our universities.

This announcement follows a competitive tender process which saw a number of leading designers and firms form consortia to bid for the multi-million-pound contract, and we are grateful for their submissions.

Devlin and Avantgarde will join forces with Manchester-based structural engineers Atelier One and sustainability experts Atelier Ten.