Health and Social Care Secretary NHS ConfedExpo speech

Thank you, Victor [Adebowale]. It's great to be with you all in person — and to be part of the new format. The NHS Confederation has always had an awesome ability to bring people together and this Expo is an incredible example of just that.

The last time I saw a crowd this size was at the Platinum Jubilee. We came together that week to celebrate an institution we've all grown up with. And I think these kinds of moments matter because they make us look forward, as well as back. Few can match the Her Majesty the Queen's record of sacrifice and service — but the NHS can make a very fair claim. Like the monarchy, its success stems from continually reinventing itself for the times we live in.

In nearly 74 years, the NHS has reigned over the greatest uplift in health in British history. And 50 of those years were spent safely in Conservative hands. I'm so proud to be the latest custodian of our health and social care system, working in partnership with Amanda, who — I think you'll agree — has been a real force for good.

Later this month, I'll mark my first year in the job. It's just the blink of an eye when you consider our history. But it's been a remarkable year. Our Roadmap to Recovery. Omicron, and our fightback against it. And our Covid-19 Elective Recovery Plan. There have been so many unprecedented achievements of which you should be fiercely proud.

In just a short time, I've experienced more highs and lows than in any other job — and I've had a few! Highs — like how we rose to meet the challenge of Omicron. Highs — like the way so many of you moved mountains to run a remarkable booster campaign. Highs — like how the social care workforce helped to safely open care homes so family members could visit again.

But the lows have been profound too. Like receiving Donna Ockenden's report on maternity failings in Shrewsbury and Telford. Like meeting heartbroken families, bereaved by painfully similar tragedies in Nottingham. Or learning of the allegations about the North East Ambulance Service.

My experiences of health and care are so many people across the country. We've all borne witness to phenomenal bravery and dedication, all while knowing, things still need to get much much better.

It is possible to love the NHS and still demand change. There's no contradiction there.

Like most of us, I watched that recent video from the A&E at Princess Alexandra Hospital in Harlow with a mixture of emotions. Horror — at the thought: how would I feel if it was me in that room? Or one of my children? But also respect. Respect for the colleague who had to deliver that difficult

message and her poise in the face of unimaginable pressure.

We all know that people working in health and care have one of the most difficult jobs in Britain today. So to her, and to everyone else working in health and care: I want to thank you for everything you're doing in such difficult circumstances.

And I'm under no illusion about the challenges we face.

Our Covid-19 Recovery Plan is ramping up to deliver a huge increase in activity, embedding new ways of working. Our new Community Diagnostics Centres are bringing life-saving tests, checks and scans closer to people's home. It's a vast effort, of which we should all be enormously proud.

Yet the scale of the challenge is equally vast. We know that some 11 to 13 million people stayed away from the NHS because of the pandemic. Many of those people are now righty coming forward — and many of them to A&E.

Omicron was also set-back, with an additional 16,000 Covid positive people in hospitals. And we know the number of people on waiting lists is continuing to rise.

Not only that, but the Covid-19 backlog sits atop a broader set of generational challenges.

Improved life-expectancy is one of the great triumphs of the modern age, and in so many ways, an NHS triumph. But it also comes with its own challenges.

The Resolution Foundation has projected that this decade is likely to see the fastest pace of ageing in any decade from the 1960s to the 2040s. As our population gets older, more and more people are living with increasingly complex long-term conditions. Treating an 80-year-old is around four times more expensive than treating a 50-year-old.

At the start of this century, in 2000, health spending represented around 27 percent of day-to-day public service spending. By 2024, that figure it is set to rise to 44 percent.

This government will always make sure our health and care system has what it needs to face the future with confidence. We've put in record levels of funding in recent years, including raising billions more through the new Health and Social Care Levy.

But funding will only ever be part of the answer. Growing health spending at double the rate of economic growth over the next decade, as I've heard some propose, is neither sustainable, desirable, nor necessary.

I don't want anyone's children to grow up in a country where more than half of our national budget is taken up by healthcare, at the expense of everything from housing to education. That's not a fair deal for the British people — particularly young people.

Obviously, we face many structural challenges, from an ageing population and

multiple long-term conditions. But demanding spending growth of this kind suggests that we will fail to reduce demand through prevention, early diagnosis and more effective care — as well as a fail to increase health and care productivity with improved use of capital, skills, management, data and innovative models of care. I refuse to countenance such failures.

I know that — when it comes to improving productivity and quality over the next decade — there's no one more ambitious than you. Indeed, it's one of the four key objectives which Matthew set out for this conference, which I very much welcome.

When reports came out of Cabinet last week that I'd described the NHS as like "Blockbuster in the age of Netflix", it caused a bit of a stir. But it's because I believe in the NHS and its founding principles that I want to focus minds on why some organisations keep pace, while others get left behind.

Before entering Parliament, I had the privilege to live and work around the world. I can tell you: the NHS is unique. It's not there to make a profit — and it never will be.

But it's also not immune to the same basic choices that face organisations right across the world. We need to be smarter with our capital, digitise and transform our use of data. We need to grow the workforce, improve leadership and management and prevent problems from escalating in the first place. We need to accelerate the development of new, innovative models of care and build a more personalised service in a way that people now come to expect.

Can you imagine any multinational without access to levers like workforce planning? Or any big supermarket chain without a consistent leadership and management programme? Or any FTSE 100 company with its digital functions outside of its own organisation? I believe there are a great many things still to do before we even think about turning to taxpayers again. And it was great to hear what Amanda said just now about making the best use of taxpayers' money.

What we've done

Together with all of you here today, a lot of this work is already under way. Let's just take a quick look at some of the things we've worked on in the last year alone.

We've built new institutions, like UKHSA and OHID to redefine how we do public health in this country.

We've strengthened existing institutions, like NHSE by bringing workforce and digital transformation into the heart of the NHS.

We've announced how we'll improve the provision of social care, something successive governments have ducked for far too long.

We've set out ambitious public targets to slash long waits in the coming years through the Covid-19 Elective Recovery Plan, and we're projected to

meet the first of these targets by next month.

We've published our Integration White Paper, a blueprint for how we provide better care for patients and better value for taxpayers.

In March, in a speech at the RCP, I laid out the building blocks for our future around Prevention, Personalisation, Performance and People. I did note Amanda's '4 Rs' earlier, which I also very much agree with.

On Monday, I announced our new data strategy, called 'Data Saves Lives', to bridge the digital divides between health and social care and ensure we use people's data safely and responsibly so we can take the public with us on this exciting journey.

And next month, the bulk of the new Health and Care Act comes into force, including our statutory ICSs. It's certainly not been a quiet first year in the job!

But I've been determined we keep moving forward, because this moment in time we dare not lose. It's a moment when we can combine valuable lessons from the pandemic, with incredible new technology and innovative ways of working which when taken together, help us face the challenges of the future.

It's a small window of time where we can make a big difference.

Leadership Review

For me, an important recent moment was when General Sir Gordon Messenger and Dame Linda Pollard published their landmark review into health and social care leadership.

I remember Gordon saying: "For a report like this to really have an impact... it has to be supportive and honest". I think we can all agree, that's what we got. And I'm pleased it has been welcomed by the NHS Confederation, NHS Providers and many more.

I'm so grateful to Gordon and Linda for their work, and I'm pleased to accept their recommendations in full. They found countless examples of great leadership, not just at the top but at all levels. More than that, they found great leadership under considerable stress.

They found that where there's better leaders, there's better teams. And where there's better teams, there's better outcomes. I've seen this for myself, in countless visits around the country including this morning, on my visit to the Royal Liverpool University Hospital.

But this kind of exceptional leadership isn't embedded everywhere. The review had some really important insights.

First, on collaboration. We know that, for years, people have worked tirelessly to do the right things for patients — doing their best to work across the walls that have kept us apart. The walls between health and care.

The walls between neighbouring trusts. The walls between one organisation and another.

We've chipped away at these walls for a while now. And through the pandemic, we sent whole sections crumbling down, for instance, the incredible way that we rolled out the vaccine — the incredible job the NHS did. No one wants the walls to go back up, so now we're bringing more and more walls down. From the changes to NHSE to the new ICBs, colleagues can collaborate as never before.

Implementing the recommendations of the review will support more collaborative leadership: one where we're working across the divides where the walls once stood, and embracing a 'connection culture'.

I was also moved by the insights on culture in the workplace. They found "too many reports to ignore" of poor behaviour — and that we've reached a point where — in some parts of the system bullying and discrimination are — and I quote — "almost normalised". All of us know, from our own careers, just how toxic that can be. Because when even just a tiny minority behave that way it can be contagious for behaviour and morale.

We will have zero-tolerance on discrimination, bullying and blame cultures. And that of course includes racism — which was highlighted by the BMA's report yesterday.

We know that, if we tolerate it, it doesn't just make health and care a worse place to work, it makes this country a worse place to live. The examples of Shrewsbury and Telford and Mid Staffs shows the extremes where this behaviour can take us. Standards not met. Complaints ignored. Lives, needlessly lost.

Let me be clear: the actions of the few should take nothing away from the values of the many. In fact, it's because of the incredible professionalism of the overwhelming majority of colleagues in health and care that we should be even more determined to get it right.

And the good news is this: just as Gordon and Linda found that bad behaviour was contagious, they found that great leadership was contagious too. It works best when everyone — even those without the word 'leader' in their job title — feels like a leader.

Other recommendations around training, standards and management will support this effort, helping the workforce at all levels, by creating the conditions for everyone to thrive.

And when I say everyone, I mean everyone everywhere. Not just those in leafy pockets of England, but where people need it most.

We know that in some regions, poor leadership is a constant challenge. That's an injustice we're just not prepared to tolerate. We need the best people doing the hardest jobs — and getting the right leaders in the right places takes the right incentives.

One of the first things I did in this job was to read Sir Chris Whitty's report on the serious health and social challenges in coastal communities.

And I've seen them first-hand. I did my first speech in Blackpool, on health disparities. And I was recently in Clacton as part of my Road to Recovery tour, where they have the second highest mental health need of anywhere in the country. So I'll make no apologies for encouraging top talent to areas facing the biggest problems, especially some of our most deprived communities.

I'm committed to making these changes: To supporting the leadership our colleagues in the NHS and social care deserve — and the leadership everyone everywhere deserves.

What's to come

The year ahead promises to be no less busy. We'll shortly be publishing: our Digital Health and Care Plan; our Health Disparities White Paper; our 10-year plans on cancer, dementia, and mental health; our update of the NHS long-term plan after Covid; the HEE workforce framework, which, later in the year, will be followed by the NHS's first-ever 15-year workforce strategy.

I also recognise that Primary Care is going to be a crucial part of the puzzle. It's the front door to health and care — and I'm grateful to all the primary care staff who make a difference every single day.

But I don't think our current model of primary care is working. That won't be a surprise to you. I know. You know. Patients know. And everyone working in primary care knows: we need a plan for change.

We are starting with pharmacy — and I will be setting out my plans shortly.

I'm grateful to Dr Claire Fuller for her recent review on how we can improve patient access to primary care. I'm confident her recommendations will improve access, including for those with the most complex needs, and, ultimately, help us tackle the Covid backlog and help people live healthier lives for longer.

I'm determined that when we look back on these years — on this window of change we have right now — that we can say we did all we could to secure the future of health and care for the generations that come after as.

Reform Partnerships

So today, I want to focus on one more thing our new Health and Care Act can help us achieve.

The pressure of the pandemic produced some powerful partnerships. With the ingenuity of people on the front line, including so many of you, walls that had seemed so rigid came crumbling down. As we face the challenges of recovery, those ways of working can work again.

Back at the RCP in March, I talked about the potential power of 'partnerships for reform'. Now, we have a legislative framework that encourages it. For ICSs to fulfil their full potential — and make the changes truly worthwhile —

I want to see the creation of many more of these reform partnerships.

This is already happening. We've already taken forward the Provider Collaborative model where are group of providers of acute or mental health services agree to work together to improve the care pathway of their local population.

For example, there are currently 47 NHS-led Provider Collaboratives for mental health, learning disabilities and autism. We've seen the success of this approach in London, where the South London Health and Community Partnership has been able to bring out of area patients down by a third, and readmissions down by two-thirds.

There are also some 50 acute trust collaboratives and mixed collaboratives, bringing together acute, specialist, mental health and community providers. It's about listening to the innovators already doing incredible things within the system — then giving them a platform to do it.

They've already shown that when we partner like this, challenges that appear intractable in one place can be resolved in another. These partnerships work. They deliver for patients. And they're helping us to tackle the Covid backlog.

So for me, the logical next step is to think about how we can use these kinds of partnerships to support underperforming trusts.

Earlier, I talked about using incentives to get the right leaders in the right places — places that have been let down for too long.

Reform Partnerships will be a central way we can spread good leadership to those places. So as part of the work on Reform Partnerships, I want to explore whether we make being part of a Reform Partnership a requirement for underperforming trusts.

I believe this could be powerful way to ensure that the leadership we need doesn't stay in the walled gardens of England's best performing trusts, but is there to help turn trusts round and with it, the health and happiness of those who live there.

So I'm looking forward to working with all of you on these plans.

I know you've faced — and continue to face — the most unimaginable kinds of pressures. And you continue to do so with passion and innovation.

You have, not just my admiration, but my full support.

I'm proud to work with you and call you my colleagues.

Because if there's a theme that unites all of this work, it's this: that the ideas and the ways working we need are already here — with so many of you in the room today.

I believe we can continue to reinvent ourselves for the times we live in; for

this institution we've all grown up with to be the one we grow old with — with dignity and with good health.

And the moment to do it is now. We have no time to lose. We have a small window of time to make a very big difference.

Let's keep breaking down the walls between us. To meet the challenges before us. So that, together, we can deliver better health and care for everyone everywhere.

Thank you all very much.

Defence Secretary meets Joint Expeditionary Force Defence Ministers in Oslo

Ben Wallace travelled to Oslo yesterday to meet with counterparts and representatives from all nine other nations — Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, the Netherlands, Norway and Sweden.

The group discussed how Russia's brutal and unjustified invasion of Ukraine has impacted European security and how the JEF might contribute to longer term capacity building and training across Europe.

They also rehearsed JEF's joint response activity through a table-top exercise, demonstrating the nations' ability to cooperate in times of crisis, including how JEF and NATO would work together in such a scenario.

Defence Secretary Ben Wallace said:

I was delighted to meet with my nine fellow defence counterparts from the Joint Expeditionary Force to deepen our relations and to support Finland and Sweden's accession to NATO.

After the meeting, the ministers issued a <u>joint statement</u> to strongly welcome Sweden and Finland's applications to join NATO.

The <u>JEF</u> is a UK-led force, comprising 10 nations working together to deliver forces at high readiness, across a range of roles, complementing NATO and European security. The coalition focuses on security in the Baltic Sea region, the High North and the North Atlantic, where its members are located.

The coalition is complementary to NATO's wider strategic posture, which originated from the <u>2014 NATO summit</u> in Wales. Led by the UK as framework

nation, it is agile and responsive, acting either as smaller coalitions or with the weight of the full grouping, as ten nations communicating with one voice.

Future of UK Defence Artificial Intelligence Launched

- New Defence AI Strategy launched at London Tech Week AI Summit to drive forwards innovation
- New approach to the Ambitious, Sustainable and Responsible use of AI.
- New jobs, research, development, and experimentation to modernise the UK Armed Forces

Plans for the future of cutting-edge UK Artificial Intelligence (AI) defence technology have been unveiled in a <u>new strategy</u> published today at London Tech Week AI Summit. The strategy and accompanying policy on the '<u>Ambitious</u>, <u>Safe and Responsible</u>' use of AI underpin a new Defence AI Centre (DAIC), which will offer a visionary hub to champion, enable and innovate these technologies across the UK Armed Forces with pace and ambition.

In the face of ever-evolving threats to global security, the <u>Defence AI</u> <u>Strategy</u> outlines how the UK will prioritise research, development, and experimentation to revolutionise our Armed Forces capabilities through new concepts and cutting-edge technology to deliver the latest equipment to the battlefield through effective, efficient, trusted pathways. Concepts include AI-enabled autonomous combat vehicles and resupply systems to deliver supplies without putting people in danger, or soldiers on the front-line guided by smart systems drawing on hours of detailed footage captured by a series of small drones.

We also publish today our policy on the 'Ambitious, Safe and Responsible' use of AI, developed through partnership with the Centre for Data Ethics and Innovation (CDEI), including new ethical principles for the use of AI in Defence. These will make sure that Defence makes the best and responsible use of the technology, both to retain the confidence of the public and our partners and to hold others to account for irresponsible behaviours.

Defence Procurement Minister, Jeremy Quin, said:

Future conflicts may be won or lost on the speed and efficacy of AI technology, and our approach to AI must be rapid, ambitious and comprehensive.

Our new Defence AI Centre (DAIC) and AI strategy will create a focused hub to champion these technologies, working ethically hand

in hand with human judgements to maintain the UK's position at the forefront of global security and responsible innovation.

Further to this, Defence Science and Technology Laboratory (Dstl) have awarded a £7 million contract to Northern Ireland based company Kainos, partnering with AI specialist Faculty Science Ltd and defence experts Actica, to deliver world-class artificial intelligence experimentation. The contract will support up to 20 highly skilled data science jobs across the UK as well as developing new specialist roles to reinforce safe, ethical, and operational AI.

Dr Paul Kealey, Head of Dstl's Cyber and Information Systems Division said:

Dstl is delivering the most ambitious programme in its 20-year history — and we can only deliver on this by working with diverse talent from across industry and academia.

AI has the potential to provide significant benefits across Defence from the back-office to the Front Line and I'm delighted we are working with Kainos — a brand new supplier who will bring specialist expertise and experience as a leader in the civil world into defence.

Brendan Mooney, Kainos CEO, said:

We are delighted to have been selected to be AI Agile Delivery Partner for Dstl. We share the Ministry of Defence's belief that when utilised effectively and responsibly, data and AI offers unparalleled opportunities for the future of defence.

Alongside our partners, Faculty and Actica, we are excited by the opportunity to extend this relationship with this long-term engagement with Dstl.

Defence's commitment to strengthen security and modernise our armed forces was outlined in the Integrated Review, and the use of AI is a key to achieving that objective. The AI Strategy highlights how the MOD will be transformed into an 'AI ready' organisation and in doing so, will support the government's wider ambitions for the UK to become a Science and Technology Superpower by 2030.

The announcements took place during London Tech Week, and the minister made clear at the AI Summit that AI-enabled military capabilities will always be in line with UK ethical values, standards, and legal obligations, and that there remain instances where human judgement will always be necessary.

Building on the <u>Integrated Review</u> and <u>Defence Command Paper</u> — which was

backed by an additional £24 billion for Defence over 4 years — the Defence AI Strategy will form a key element of the National AI Strategy and reinforces Defence's place at the heart of the Government's drive for strategic advantage through science and technology.

<u>Future of Work Summit 2022 - Welcome</u> Address at London Tech Week

I am delighted to be back with Tech UK today, and thank you Jacqueline for the introduction.

The government's use of technology is a big part of my responsibility as Chief Operating Officer.

I try to bring to this role the 'growth mindset' I learnt when working in start-ups in the media and technology industry.

So, the future of work.

'Find a job you love. And never work another day.'

When I heard this first from a business partner some 20 years ago now, I had to think for a moment what he meant. I realised that for my friend John 'work' was the opposite of play, or family time — it was something you would want as little of as possible. Unless your work was so fulfilling it didn't feel like work. Then it would be like not having to work at all.

I think this tells a fundamental truth about work. Which is that the sense of mission you get from your work is key to whether you enjoy it and stick with it.

It is certainly what keeps me going every day in my current job. And I am sure that is true for almost all of my colleagues in public service. And having worked in business, I know very well how satisfying it can be to build success in the market.

What work we do is as varied and changeable as the world itself.

What I want to focus on today is how in the UK Government we are changing the way we work. And what this means for the public we serve.

Putting the customer - the citizen, business and community first

The first change we want is to put the customer first. This is not original but it is necessary. Governments do NOT typically put the customer first. We provide vital services and respond to crises and develop new legislative solutions — yes. But little of this is designed with the end user first in

mind.

The scale of government is such that we add new things without due regard to what we have already. Currently, UK citizens may need as many as 191 accounts — accessed via 44 different sign-in methods — to apply for government services online. On GOV.UK alone, there are nearly 8,000 document-based forms. These are clear symptoms of NOT putting the customer first.

Improving and quality assuring digital services

How is this changing? Most obviously with the move to treat existing users as returning customers. Through GOV.UK it is now easy to renew your driving licence and your passport online. If you are a taxpayer you can make your new return by reference to your previous one. If you are on benefits, your universal credit account allows you to make your claim, maintain oversight of your statement and monitor your to-do list to ensure you retain access.

We have also begun to make it easier for users to find information solutions that meet their needs. When we were helping businesses prepare for Brexit, we provided the 'Brexit checker' where an individual business could describe itself in a few phrases and be served up the relevant rule changes and actions required. When the Covid pandemic was country-wide but patchy we made the latest data on infection rates searchable at postcode level.

And this month we launch a new service called One Log-In. This is a secure and easy-to-use digital identity service which allows people to register to receive multiple services from the government. This will bring some of the convenience we take for granted in the ecommerce world into the world of government.

Also this month we begin performance rating of the Top 75 government services; these will include Apply for Student Finance, Get Legal Aid and Request a birth/death certificate. We will publish the results and we have committed publicly in the new digital strategy 'Transforming for a digital future: 2022 to 2025 roadmap for digital and data' to achieving great service in at least 50 of these services. This will both demonstrate and drive improving service to the customer.

Modern systems for modern government

The second building block in our new digital government is accelerating the move to modern systems. People — not people at this conference — would be shocked to know that we are still using 40 year old systems in some parts of government. Old legacy systems tend to be slow, expensive to maintain, lacking in resilience, difficult to recover, vulnerable to cyber attacks.

We have called time on these old systems and have committed over £2 billion in our most recent Spending Round to overhaul them comprehensively. We are doing this in a pleasingly logical fashion by rating them systematically and tackling the most exposed and inadequate with the greatest urgency. By building new systems on the Cloud with modern standard software components and embedded interoperability we plan to avoid accumulating new technical

debt. Smaller scale and faster procurements, using contracts that allow us to reuse solutions across government, will improve value and reduce risk.

Data confident and digitally enabled

What does this mean for the people who work for us?

Focusing on the customer is what our people want to do but we haven't made that easy to do. If the customer data you need is held on multiple antiquated and incompatible systems, it is not easy to help the customer. If you are not properly trained and equipped to use new systems and data to full advantage, it is not easy to do so. So these things must change too.

And they are beginning to do so.

Take Universal Credit, which has involved moving the provision of six benefits to just one, and automating processes so that manual payments to customers have decreased from 59% 5 years ago to 1.5% today. Automation and better use of data have improved the service individual claimants receive and delivered half a billion pounds in savings.

And take the example of an enterprising DWP official who used his experience from working on the frontline at Salford Job Centre to come up with an idea to reduce benefit fraud and error in self employment cases by matching up returns submitted by construction workers with HMRC data from construction site companies. Thereby highlighting anomalies and prompting the self-employed to correct their returns. Estimated saving of £100 million annually.

We are beginning to push the boundaries and use cutting edge technology. DEFRA's peatlands and data modelling teams won last year's Civil Service Data Challenge. The drying out of peatlands leads to the emission of around 20 million tonnes of CO2 annually. You can reverse this process by blocking moorland drains, but locating them on the ground is a difficult and labour-intensive process. The project team worked out that by deploying innovative AI — using a Generative Adversarial Network (GAN), no less — they could rapidly identify drains using aerial photography. Seriously rapidly — the new tool can map 3500 peat dams in half an hour — much improving the cost efficiency as well as effectiveness of protecting these important environments.

These are examples of how our people are learning to work differently using new technology and the power of data. Allowing them to spend less time on routine manual tasks and more time to work on what people do best — working together to tackle complex issues and deliver great services of public value.

And we will need more of this to achieve our goal of a Civil Service that becomes smaller but more capable and delivering even better results.

Wherever we work

Finally I want to share a couple of thoughts about where we work.

Even before the pandemic we had adjusted to the modern ways of working

required to work across multiple sites across the country.

Prison officers, border force staff and benefits office workers are all civil servants with specific workplaces. But the majority, like me, are knowledge workers who mostly work in offices.

If you have a picture of the Cabinet Office — I accept many of you will have no such picture — it is probably of a stately stone building on Whitehall. But we have offices in Bristol, Birmingham, Glasgow, Liverpool, Manchester and York — just to name some of the bigger ones. Our people now travel less between these places, and rely more on bits and bytes to do the travelling.

By having fewer desks than workers, the Civil Service has saved over £650m in the last five years in reduced office costs.

However I am not an advocate of 'work anywhere'. Even when I worked for an internet company with partners and customers all over the world I found our teams needed to come together in person to reinforce the bonds that support creativity and high performance.

In government nearly all of our work requires multidisciplinary team-working, often between departments and with private sector partners. You can do that online but too much so and we risk eroding the sense of shared purpose, the camaraderie and learning-by-observation.

Like every modern organisation we are fine-tuning to try to find the optimal mix of hybrid working that gets the job done efficiently while still preserving the work culture that attracts people to join and stay, and give of their best.

What is clear is that in the modern Civil Service, we need to operate with a workforce drawn from every community, every demographic, every generation, every profession and trade. And we must offer our people varied, stretching and rewarding work experiences throughout what will be longer but also more fulfilling working lives.

So fulfilling indeed that it may not feel like work at all. Thank you.

UKEF provides £100 million to help Blyth renewable specialists open new factory and secure exports

- JDR Cables announced intentions to build state-of-the-art submarine cable facility in September 2021
- UK Export Finance has backed a £100 million working capital loan to fund

the construction, supporting 170 high quality local jobs in the North-East

• The new site will enhance JDR's operations and unlock international offshore wind contracts as it supports global net-zero goals

JDR Cable Systems (JDR), a global subsea cable supplier and servicer and part of the TFK Group, has received a £100 million working capital loan from Société Générale, HSBC UK and Bank Gospodarstwa Krajowego (BGK), backed by UK Export Finance (UKEF) to start building its new state-of-the-art subsea cable manufacturing facility in Cambois, near Blyth, Northumberland to secure more national and international contracts.

JDR Cable Systems is the leading provider of subsea cable technology and offshore services that connects the global offshore energy industry. Global energy companies depend on high-performing and resilient cables to provide clean power created by offshore wind farms to land. Offshore wind farms play a vital role in helping countries reach net-zero commitments and, with 2,571 offshore wind farms and projects in over 50 countries, JDR's exporting potential is significant. It follows the company receiving funding from the government's £160 million Offshore Wind Manufacturing Investment Support scheme announced in September 2021.

Secretary of State for International Trade, Anne-Marie Trevelyan said:

It has never been more important to strengthen energy security in the UK and around the world as we reduce our reliance on fossil fuels and face instability in global energy markets. Our support for UK companies who are enabling the transition, such as JDR, is vital in securing a cleaner and more secure future. This will grow our economy by creating jobs and unlocking vital trading opportunities.

The support from <u>Société Générale</u>, <u>HSBC UK</u> and BGK backed by UKEF, will enable JDR to build a facility to support the company's production of submarine cables which are used to transport energy from offshore renewables. It is the first step in JDR's long-term plan to expand into better supporting the global renewable energy market and help the UK and other countries across the globe to meet ambitious net-zero goals. Planning approval has been granted to JDR and once planning conditions have been met, the construction of the new facility will begin in the autumn of this year, with the facility set to open in 2024.

UKEF provided support to JDR Cables with an <u>EDG</u>) which helps UK exporters to access to high-value loan facilities for general working capital to execute projects that will boost international trade. Since launching in 2019, the government has backed over £10 billion in loans across multiple industries through the EDG.

Following this announcement, the Department for International Trade will host

the Green Trade & Investment Expo this autumn in the North East. The Expo will showcase how UK companies like JDR Cables can support the UK's clean growth ambitions and the drive to net zero.

We are committed to helping the UK and other countries around the world make vital progress on the green transition. Thanks to UKEF's support, we are looking forward to opening the doors of our state-of-the-art facility in Blyth in 2024 and play an even bigger role in supporting the offshore wind sector across the globe with high quality, specialist subsea cables.

Vijay Raman, UK Head of Development & Structured Export Finance, and Su Ming Lim, UK Co-Head of Advisory & Financing Group at Societe Generale, add:

We are delighted to have advised JDR for the first stage of this new facility, which marks a significant milestone for the company's plans to support the growing offshore wind sector, whilst also creating jobs for local communities.

As the power generation capacity and demand for offshore wind projects gets bigger and bigger, so must the supporting infrastructure such as the power transmission capacity of cables like those manufactured by JDR. This infrastructure is critical to the success of renewable energy projects, as well as for the success of the UK's net zero strategy and the world's energy transition agenda.

JDR plays an important part enabling renewable energy generation and energy security. This new UK cable facility supports our customer's UK and international growth ambitions and helps further establish the UK's manufacturing capability. At HSBC UK we see our role supporting British businesses in the transition to net zero by providing world-class finance solutions and expert advice. We're proud to have provided funding to JDR, working closely with UK Export Finance, and acting as sustainability coordinator for the financing.