

SOCIAL MOBILITY BUSINESS COMPACT: FACTSHEET

What is the Business Compact?

The Business Compact asks businesses to open their doors to people from all walks of life, regardless of their background. It was announced last April as part of the Deputy Prime Minister's Social Mobility Strategy to promote fairness and ensure everyone has equal opportunities.

The aim of the Compact is to encourage behavioural change in business, so jobs are open to everyone. The Government believes no one should be prevented from fulfilling their potential because of where they're born, the school they go to, or the jobs their parents do – skills and talents shouldn't be wasted just because someone's personal circumstances mean they can't get a foot on the ladder.

What does signing the Business Compact commit businesses to?

The Compact calls businesses to commit to:

- 1. Support communities and local schools to raise aspirations, for example:
- participate in mentoring schemes for young people, allow staff time off and reward them for getting involved and enable schools and businesses to work together;
- encourage staff at least once a year to talk about their careers as part of a programme to raise aspiration and build knowledge about the world of work.
- 2. <u>Improve skills and create jobs by providing opportunities for all young people to</u> get a foot on the ladder to:
- where work experience opportunities are offered, advertise in local schools rather than filling them through informal networks;
- where internships are offered, advertise them openly and transparently, pay
 interns the minimum wage where they are legally entitled to it and provide
 financial support to ensure fair access (ensuring individuals from less well-off
 backgrounds are not excluded from opportunities, for example, providing lunch or
 travel expenses or accommodation as appropriate))
- 3. Improve quality of life and wellbeing by recruiting openly and fairly, ensuring nondiscrimination to:
- ensure that recruitment processes don't allow people to be inadvertently screened out because they went to the wrong school or come from a different ethnic group.
 This could include increased use of name-blank and school-blank applications where appropriate.

What is being announced on Thursday 12 January?

The Deputy Prime Minister will announce that more than 100 businesses have signed the Compact heralding a major milestone in making the professions more open. He will then call on other businesses to follow suit and ask for support from the current signatories in getting others to sign up. It is a priority for the Government to highlight the really good work businesses are doing, to show what is possible and to encourage and inspire more companies to follow suit.

Who else has signed up?

We currently have 113 businesses who have signed up to the Compact, from a wide range of sectors including legal, retail, finance and energy. The full list of signatories can be found here on the Social Mobility website (link below).

Why is signing the Business Compact good for business?

It makes sense for businesses to have access to the widest pool of talent available to them and for them to grow and develop with the best people on offer, not just those with the right contacts or resources.

The Government does not want to impose new regulations on business or introduce a burdensome process in order to create fair access to roles for young people, the Business Compact therefore follows a non-regulatory approach.

Who will benefit from the Business Compact?

The Business Compact has the explicit aim of ensuring access to opportunities for all young people is fair and open, businesses who sign the Compact should be paying particular consideration to attracting talented young people:

- Who have attended state schools;
- Who come from low or middle income families and/or are;
- From minority ethnic groups.

Where can we find out more?

The Business Compact website highlights a broad range of exciting work being undertaken by some of Britain's biggest businesses, many from sectors where access has traditionally been about who rather than what you know. Information about the Business Compact, criteria and what other businesses in your sector are doing can be found on the website (which will be updated on Thursday): www.dpm.cabinetoffice.gov.uk/businesscompact

If you require further information on the Compact please email: social.mobility@cabinet-office.x.gsi.gov.uk

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