



**Contact details:**

**Mark McLaren**

Secretariat to APPG on CSR  
c/o Baroness Greengross  
House of Lords  
London SW1A OPW

Tel 020 7219 3209

Email: [mclarenm@parliament.uk](mailto:mclarenm@parliament.uk)

**Charlotte Turner**

Research & Information Director  
Business in the Community  
137 Shepherdess Walk  
London, N1 7RQ

Tel 0870 600 2482

Email: [charlotte.turner@bitc.org.uk](mailto:charlotte.turner@bitc.org.uk)



**National Grid Transco**  
Foundation



**November 2003**



ALL PARTY PARLIAMENTARY GROUP  
ON CORPORATE SOCIAL RESPONSIBILITY

# Annual Report 2002-2003

Incorporating the Members' Booklet 2003/04

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## Introduction

This Annual Report covers the year to September 2003, only our second full year. It is also a Members' Booklet recording the Group's membership and details of meetings.

We remain indebted to Business in the Community for their continued and dedicated backing of the Group, as well as to National Grid Transco Foundation for enabling Business in the Community to support us throughout the year. Without them, we would not have been able to achieve all that we have.

In my view, Corporate Responsibility remains high on the political agenda. It is right that its focus remains on business, but more and more organisations are realising that responsible practice applies to them too, whether they be public sector bodies, trade unions or the voluntary sector – and including of course Government itself. Many feel the term CSR is itself misleading, preferring instead “organisational responsibility” or just “responsible business practice”.

Within Parliament, the Corporate Responsibility (CORE) coalition has continued its work, successfully ensuring that the regulation v voluntarism debate goes on. Our Secretary, Linda Perham MP again sponsored a private member's bill on corporate accountability.

From Government, the Company Law Review is finally reaching its conclusion, which may mean we see legislative proposals presented to Parliament sooner rather than later. In July 2003, the Secretary of State for Trade and Industry announced at the Business in the Community annual conference that the DTI would speed up implementation of the new Operating and Financial Review (OFR) requirements on large companies.

In this context, at our Annual Dinner, the CSR Minister delivered a thoughtful and well-argued speech setting out the Government's view on the limits of legislation and regulation. The thrust of his argument was that, whilst he did not think legislation to enforce responsible business practice would work, there was and already had been a role for light touch intervention and fiscal incentives to encourage and promote CSR.

The launch of the Corporate Responsibility Index in March 2003 is a welcome development in this regard too. 127 companies have now completed the “first authoritative voluntary benchmark of responsible business practice”. We will watch its impact with interest.

For me, a highlight of the year was the Business in the Community Awards for Excellence which I and some of my fellow officers were privileged to judge. In December 2003, I am pleased to report that our vice chair Michael Moore MP is sponsoring an Upper Waiting Hall exhibition in Parliament to showcase best practice, particularly focusing on the regional winners across the UK.

I record my thanks to my fellow Officers and to all Members who have taken part in our meetings this year, as well as the large number of external attendees who have helped us – a full list of both is included in this Annual Report and Members' Booklet. With their help, we have completed a programme of monthly meetings on a wide range of issues – itself reflective of how broad Corporate Social Responsibility is. We have been fortunate to hear from thought provoking speakers of high calibre and quality, and are most grateful to them. A short report of all our meetings, as well as our Annual Dinner, is included in this Annual Report. More detailed information is available from the Secretariat.

This report also includes information on the Group's programme for 2003/04.

In the coming year I hope the Group can become more pro-active on issues Members feel strongest about, following up on issues raised with us at meetings and elsewhere, and putting them to Government in debates, questions and meetings. This may be given added focus as it seems likely we will have the Government's OFR legislation before us.

Finally, I should record that the Group's membership increased to 132. Two members resigned during the year due to ministerial appointments and three new members joined. We hope to build on this in our 3rd year.

I should also record my sincere thanks to Mark McLaren, who provides the Group's secretariat, and Charlotte Turner and her colleagues at Business in the Community for all the high quality work they undertake for the Group. We all appreciate it.

**Baroness Sally Greengross**  
Chairman, 2002-2003

## Finance and Registration

The Group is officially registered with the Parliamentary Commissioner for Standards and is on the Approved List as a recognised all party parliamentary group under the terms of the 1984 and 1985 House of Commons resolutions.

The Group has incurred no costs directly and does not therefore charge Members a membership fee. This is because the costs of the Group in 2002/03 have been met by Business in the Community, largely through the generous support of National Grid Transco Foundation. Business in the Community has also given considerable staff time and administrative support.

In 2002/03, the total direct benefit to the Group is estimated at £35,000, including the costs of all meetings, the annual dinner, staff time and other expenses.

## Meetings held in 2002-2003

The full minutes of meetings are available from the Secretariat.

### 22nd July 2002

Annual General Meeting

The meeting agreed the Group's annual report 2001/02, elected officers for 2002/03 and considered the Group's programme 2002/03.

### 21st October 2002

Business in the playground: Corporate Responsibility in the education sector

Education Minister, Baroness Cathy Ashton, spoke about CSR in education.

Total attendance was 22.

### 16th December 2002

Thinking Global, Acting Local: Corporate Responsibility and globalisation

Lord Holme of Cheltenham (Rio Tinto) and Vernon Ellis (Accenture and IBLF) spoke about sustainable development and globalisation respectively.

Total attendance was 22.

### 24th February 2003

Are SMEs big enough to address responsible business practice?

The Group heard from Lord Newton of Braintree (IoD) and a range of invited SMEs about their role in delivering CSR.

Total attendance was 29.

### 24th March 2003

Measurement Mania: How can organisations measure Corporate Responsibility?

The Group heard from Derek Higgs (UBS Warburg and chair BITC CR Index) about how the new corporate responsibility index measures CSR. He also spoke about his report for the DTI on the role of non executive directors.

Total attendance was 32.

### 28th April 2003

No place to hide: Intrinsically controversial yet socially responsible?

Rt Hon Kenneth Clarke QC MP (BAT deputy chair) spoke about how a company like BAT is socially responsible even though its product is controversial.

Total attendance was 30.

### 13th May 2003

Do trade unions practice as well as preach responsible practice?

Incoming TUC General Secretary Brendan Barber spoke about the challenges for both the trade union and corporate sectors.

Total attendance was 15.

### 16th June 2003

Annual Dinner

CSR Minister, Stephen Timms MP, spoke about the role of Government and Parliament in CSR. See page 3 for details

### **23rd June 2003**

Walking the Talk: CSR and the voluntary sector

Stuart Etherington, NCVO chief executive, spoke about the voluntary sector's accountability and responsibility compared to the for profit sector.

Total attendance was 19.

### **7th July 2003**

Company Law Review bill

This meeting was postponed to the 2003/04 session pending a firm announcement from Government on their legislative plans.

### **15th September 2003**

Annual General Meeting

The meeting agreed the Group's annual report 2002/03, elected officers for 2003/04 and considered the Group's programme 2003/04.

### **20th October 2003**

Shoot the Messenger? Corporate Responsibility and the media

Evan Davis, BBC Economics Editor spoke about the role of the media in helping and/or hindering corporate responsibility issues.

Total attendance was 24

### **Annual Dinner 2003**

Stephen Timms MP, DTI minister responsible for CSR, was the guest speaker at our 2nd Annual Dinner held in the Attlee Room in the House of Lords on 16th June 2003.

The Minister spoke about what he sees as the role of Government and Parliament in promoting corporate social responsibility.

In particular the Minister talked about the role of regulation in promoting responsible business practice: "Of course, Government and Parliament have a legislative role in society and so it is not surprising that there is a tide of opinion that would expect us to follow a regulatory approach on this subject. However, I do not believe the answer is to pass laws to make CSR compulsory. It would be very difficult to try and do so and in my view counterproductive."

However, the Minister did promote the idea of effective, light touch intervention and regulations to promote and encourage CSR, such as the 1999 Pensions Act, the OFR aspects of the Company Law Review, the recent enactment in UK law of the OECD Convention on Bribery. He also talked about the role of fiscal incentives such as the Community Investment Tax Credit.

The Minister also talked about the debate on voluntary or compulsory reporting: "What we must avoid at all costs, in my view, is for CSR to become part of the red tape demanded of them from Government....That would be very damaging because it would stifle the enthusiasm and creativity and innovation, which are the most valuable features of CSR today."

He concluded by saying that: "I would argue that the key role that Government and Parliament should follow on CSR is helping to spread the best ideas so that they can be implemented as widely as possible."

Also at the dinner, James Ross, Deputy Chairman of National Grid Transco and Chairman of National Grid Transco Foundation, outlined the company's commitment to responsible business practice, its work providing job training for young offenders and the subsequent interest from Government, as well as their support of the Group over the last year. Julia Cleverdon Chief Executive, Business in the Community paid tribute to the work of the Group since it was set up in 2001.

A full copy of Minister's speech is available at:

[www.bitc.org.uk/news/news\\_directory/appg\\_dinner.html](http://www.bitc.org.uk/news/news_directory/appg_dinner.html)

## Programme for 2003-2004

The Group's programme (subject to confirmation) for the 2003-04 Parliamentary session plans to include the following events. Final confirmation of meeting dates and times, as well as speakers and themes, will be posted on the Group's website [www.bitc.org.uk/parliament](http://www.bitc.org.uk/parliament) and sent to Group Members.

### A. Monthly speaker-meetings from December 2003-October 2004

When possible, these will continue to be held monthly on sitting Mondays at 6pm in Parliament. We hope the meeting themes will be:

1. Impact of the Company Law bill, including the Operating Financial Review
2. Money Talks: how the City of London influences responsible business practice (we hope jointly with APPG on Socially Responsible Investment).
3. Corporate Responsibility and the Environment
4. Diversity and responsible practice
5. Under-served communities (we hope jointly with APPG on Regeneration)
6. Responsible practice in the public sector
7. Corporate Responsibility in PPP/PFI projects
8. CSR Academy
9. Regulatory risk and liability, and its impact on reputation  
Suggested speaker: from London School of Economics
10. Ad hoc special meetings  
Briefing sessions for Members in the House of Commons and House of Lords about the Company Law bill (if presented to Parliament in 2003/04 session)

### B. Receptions/Dinners

#### Winter Reception 2003

Wednesday 3rd December 2003 approx 5.30 pm - 7.30 pm in the Macmillan Suite, Portcullis House. This event, hosted by Michael Moore MP, will mark the Group's Upper Waiting Hall exhibition.

#### Parliament Upper Waiting Hall Exhibition

Monday 1st - Friday 5th December 2003. A temporary exhibition about corporate responsibility will be held in Parliament's upper waiting hall. This event is sponsored by Michael Moore MP.

#### Summer Reception 2004

Wednesday 9th June 2004 approx 6pm - 8pm in Cholmendeley Room, House of Lords, hosted by Baroness Greengross.

#### Annual Dinner 2004

September/October 2004 to coincide with the Group's 2004 AGM.

#### Winter Reception 2004

Wednesday 1st December 2004 approx 6pm - 8pm in Cholmendeley Room, House of Lords, hosted by Baroness Greengross.

## Membership of the All Party Parliamentary Group on CSR

The total membership currently stands at 132 (70 MPs and 62 Peers) though any Member is able to attend Group meetings and events.

### Officers

#### Chair/Treasurer

Baroness Greengross OBE (Crossbench)

#### Vice Chairs

David Drew MP (Labour)

Lord Holme of Cheltenham (Liberal Democrat)

Michael Moore MP (Liberal Democrat)

Lord Sheppard of Didgemere (Conservative)

Ian Taylor MBE MP (Conservative)

Lord Stone of Blackheath (Labour)

#### Secretary

Linda Perham MP (Labour)

#### Other Members

Lord Alexander of Weedon

Evan Harris MP

Lord Alton of Liverpool

Tony Clarke MP

Tony Baldry MP

Lord Clement-Jones

Gregory Barker MP

Tony Coleman MP

John Battle MP

Michael Connarty MP

Anne Begg MP

Lord Corbett of Castle Vale

Lord Bhatia

Jim Cousins MP

Baroness Blood

Ross Cranston MP

Peter Bottomley MP

Baroness Cumberlege

Virginia Bottomley MP

Tam Dalyell MP

Lord Brennan

Ian Davidson MP

Lord Brett

Baroness Dean of Thornton-le-Fylde

Lord Browne of Madingley

Parmjit Dhanda MP

Baroness Buscombe

Jonathon Djanogly MP

Lord Butler of Brockwell

Nigel Evans MP

Vincent Cable MP

Hywel Francis MP

Patsy Calton MP

Lord Freeman

David Cameron MP

Lord Gavron

Baroness Chalker of Wallasey

Baroness Gibson of Market Rasen

Colin Challen MP

Linda Gilroy MP

Ben Chapman MP

Baroness Goudie

Rt Hon Kenneth Clarke MP

Baroness Gould of Potternewton

Win Griffiths MP

Margaret Moran MP

Rt Hon John Gummer MP

Lord Moser



Lord Harrison of Chester	Martin O'Neill MP
Lord Haskel	Lembit Opik MP
Lord Haskins	Baroness Oppenheim-Barnes
Baroness Hayman	Diana Organ MP
Stephen Hesford MP	Lord Paul
Paul Holmes MP	Lord Peston
Baroness Hooper	Lord Phillips of Sudbury
Phil Hope MP	Baroness Pitkeathley
Alan Howarth MP	Baroness Prashar
Baroness Howe of Idlicote	Bridget Prentice MP
Lord Howell of Guildford	Adam Price MP
Lord Islwyn	Lord Puttnam
Rt Hon Michael Jack MP	Sys Rapson MP
Lord Joffe	Baroness Richardson of Calow
Nigel Jones MP	John Robertson MP
Lord Judd	Ernie Ross MP
David Kidney MP	Lord Sharman
Oona King MP	Baroness Sharp of Guildford
Ashok Kumar MP	Barry Sheerman MP
David Lammy MP	Lord Sheldon
Jackie Lawrence MP	Lord Simon of Highbury
Mark Lazarowicz MP	Lord Simpson of Dunkeld
David Lepper MP	Rachel Squire MP
Lord Lester of Herne Hill	Anthony Steen MP
Tim Loughton MP	Lord Stevenson of Coddenham
Andy Love MP	Ian Stewart MP
Ian Lucas MP	Lord Stone of Blackheath
Iain Luke MP	Lord Taylor of Warwick
Lord Macgregor of Pulham Market	Simon Thomas MP
Fiona MacTaggart MP	Gareth R Thomas MP
Lord Marshall of Knightsbridge	Dennis Turner MP
John McFall MP	Bill Tynan MP
Baroness McIntosh of Hudnall	Rudi Vis MP
Rt Hon Alun Michael MP	Baroness Warwick
Baroness Miller of Chilthorne Domer	Lord Weatherill PC DL
Lord Newton	Baroness Whitaker
Lord Newby	Baroness Wilcox
Baroness Noakes	Lord Williamson of Horton
Eddie O'Hara MP	Lord Wolfson

## List of external attendees 2002-2003

In alphabetical order, the following people attended APPG on CSR Group meetings in 2002-2003. The Group is grateful for their contribution.

\* = speaker

<b>Deborah Allen</b> , BAe Systems	<b>Carolyn Knight</b> , National Grid Transco Foundation
<b>Lizzie Andrews</b> , NCVO	<b>Isobel Larkin</b> , TUC
<b>Murray Armstrong</b> , The Guardian	<b>Sir Jim Lester</b> , World Aware
<b>Ian Baker</b> , Cable and Wireless	<b>Alexander Loehnis</b> , Invensys
<b>Marcia Balisciano</b> , Reed Elsevier	<b>Simon Loftus</b> , Adnams
<b>*Brendan Barber</b> , TUC	<b>Alison Maitland</b> , Financial Times
<b>Don Blackwood</b> , Bovince	<b>Neil Makin</b> , Cadbury Schweppes
<b>Femi Bola</b> , Lewisham College	<b>Fiona Mason</b> , Tesco
<b>Margaret Bolton</b> , Smart Company	<b>Peter Mason</b> , Ethical Performance
<b>Kit Burdess</b> , Accenture	<b>Liz Padmore</b> , Accenture
<b>Rob Cameron</b> , Flag	<b>Garry Parker</b> , Forum for Private Business
<b>Yogesh Chauhan</b> , BBC	<b>Adrian Payne</b> , BAT
<b>*Julia Cleverdon</b> , Business in the Community	<b>Patricia Peters</b> , IoD
<b>Roger Cowe</b> , Business Journalist	<b>Joe Phelan</b> , IBLF
<b>*Evan Davis</b> , BBC	<b>Annette Priestley</b> , National Grid Transco Foundation
<b>Kate Dunning</b> , EMI	<b>Ian Priestner</b> , United Utilities
<b>Kate Ellis</b> , Cadbury Schweppes	<b>Jim Redman</b> , Forum for Private Business
<b>*Vernon Ellis</b> , Accenture/IBLF	<b>*James Ross</b> , National Grid Transco
<b>Alastair Eperon</b> , Boots	<b>John Sabapathy</b> , Accountability
<b>*Stuart Etherington</b> , NCVO	<b>Hugh Scantlebury</b> , Foundation Systems
<b>Philippa Foster-Back</b> , Institute of Business Ethics	<b>Stephen Serpell</b>
<b>Dan Fox</b> , GPC	<b>Brian Shaad</b> , CORE
<b>Kevin Gardner</b> , IBLF	<b>Gordon Shields</b> , Shields Environmental
<b>Annabel Gaywood</b> , IBLF	<b>Chris Stalker</b> , NCVO
<b>Ian Gearing</b> , National Grid Transco	<b>Shaun Stewart</b> , Rio Tinto
<b>Fiona Gooch</b> , Traidcraft	<b>Ben Stimson</b> , BSkyB
<b>Claire Green</b> , Good Business	<b>Martin Summers</b> , BAT
<b>Julie Green</b> , RMC	<b>Gareth Thomas</b> , Good Corporation
<b>Keith Hamer</b> , Tag McLaren	<b>Peter Van Gelder</b> , Westminster Media Forum
<b>Dr Mary Harris</b> , National Grid Transco Foundation	<b>Shaun Walsh</b> , Camelot
<b>Simon Harrison</b> , Edinburgh TV Festival	<b>Geoff Wildman</b> , Network Rail
<b>Michael Hastings</b> , BBC	<b>John Williams</b>
<b>Elizabeth Haywood</b> , Tesco	<b>Heather Williams</b> , Good Corporation
<b>*Derek Higgs</b> , UBS Warburg	<b>Jane Wilson</b> , Capital Radio
<b>Steve Hilton</b> , Good Business	<b>Peter Wood</b> , Guildford College
<b>Sara John</b> , EMI	<b>John Wybrew</b> , National Grid Transco
<b>Amanda Jordan</b> , Smart Company	<b>Stephen Young</b> , Caux Roundtable



## About the Group

The All Party Parliamentary Group on Corporate Social Responsibility (APPG on CSR) is an officially registered all party group in Parliament. It was set up in 2001 by a group of backbench MPs and Peers with the backing of Business in the Community, together with National Grid Transco Foundation (since November 2002). The Group currently has 132 members; 70 MPs and 62 Peers, though attendance is open to any Member or his/her staff.

The Group's establishment was prompted by a PwC survey in 2001 of politicians' attitudes which revealed a lack of awareness and understanding about Corporate Social Responsibility. As a result, Business in the Community supported the establishment of a new All Party Group on CSR, whose main aim is to promote debate and understanding of corporate social responsibility in Parliament and to provide an avenue for dialogue and communication, including to the DTI's CSR Minister.

To achieve its object, the Group holds regular speaker-meetings, receptions and dinners in Parliament, and is the main link between Parliament and Business in the Community and the wider CSR community. Guest speakers, often well known and high profile, are invited by the Group to speak on a wide range of CSR themes, well beyond just those affecting the business sector alone.

The Group is a parliamentary one only, but non-Members are welcome to attend meetings by invitation or on request. For further information about the Group, its members or its programme, please contact the Group's Secretariat or Business in the Community, or refer to [www.bitc.org.uk/parliament](http://www.bitc.org.uk/parliament).

For further information about all party groups in general please refer to the Register of All Party Groups at: [www.publications.parliament.uk/pa/cm/cmparty/memi02.htm#a1](http://www.publications.parliament.uk/pa/cm/cmparty/memi02.htm#a1).

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## About *Business in the Community*

Business in the Community is a unique movement of 700 member companies committed to continually improving their positive impact on society. We are an independent charity with 20 years experience of achieving our charitable purpose "to create a public benefit by working with companies to improve the positive impact of business in society". We are a business led organisation involving 189 member companies in leadership teams that develop responsible business practice. We are the largest UK national organisation of its kind with the ability to translate company policy into local action, whilst connecting our global members with a network of international partners. We are a platform for dialogue for developing and sharing best practice and for collaborative action: the voice of responsible business. Together our member companies employ over 15.7 million people in over 200 countries worldwide. In the UK our members employ over 1 in 5 of the private sector workforce.

For further information about Business in the Community please refer to [www.bitc.org.uk](http://www.bitc.org.uk)

# National Grid Transco Foundation

## **About National Grid Transco and its Foundation**

National Grid Transco plc is a leading international energy delivery business. It is the largest utility in the UK. Through National Grid, the group owns and operates the electricity transmission network in England and Wales, and through Transco, it owns and operates Britain's gas transportation network. National Grid USA is one of the top ten electricity companies in the US, with the largest electricity transmission and distribution network in the New England/New York market. It also operates a gas distribution network in New York.

National Grid Transco Foundation is the focus for the group to bring its business expertise, knowledge and resources to bear on pressing social and environmental issues, faced by communities throughout the UK. It is also a vehicle for its employees to become actively involved in working in partnership with communities and voluntary organisations at local, regional and national levels.

Through its Foundation, National Grid Transco has won more awards for corporate social responsibility than any other company in the UK. In July 2003, the company won two of the prestigious 2003 Business in the Community Awards for Excellence.

The Young Offender Training Scheme won the National Example of Excellence Award in the "Healthy Communities Award for National Programmes" category. Working with prison and probation services, this unique scheme aims to cut the re-offending rate of young offenders by offering them S/NVQ training and subsequent employment as gas groundwork operatives. The Creative Education (CRED) programme also won an Example of Excellence Award in the Special Awards category for Innovation. CRED aims to help disaffected teenagers at risk of exclusion from school, by providing a work-related curriculum. Students spend three days a week at the Learning Centre studying for GNVQ, NVQ and/or GCSE qualifications. They spend the remaining two days on work experience placements.

For further information about National Grid Transco Foundation please refer to [www.ngtgroup.com/foundation](http://www.ngtgroup.com/foundation)

