



Flexible Working – Matching Resources to Priorities

Situation



Today, the public sector is facing increasing pressure to do more with less, and specifically to manage with a smaller workforce. These expectations, coupled with the need to offer rewarding career paths for talented staff, have required the Treasury to become more innovative in the way it organises itself and its

workforce. Following the 2010 Spending Round and a review of the Treasury's business model, the department has adopted several agile working practices and sought to embed flexible working as a core part of the way it operates. These changes enable the Treasury to work more efficiently and effectively, providing better value for the taxpayer, and continue to motivate, engage and develop the quality and calibre of its staff.

How the Treasury is responding to the situation specifically

Flexible working has brought significant benefits to the Treasury and involves three distinct but inter-related practices:

- **Flexible working within Groups:** The Treasury is organised into Director-led groups of around 50-80 people as its main business unit; each group comprises a number of smaller teams, led by Deputy Directors. Within their groups, Directors and Deputy Directors are expected to find flexible solutions to new pressures as they emerge. There is a strong culture within the Treasury of collective delivery, and the group structure builds on this by making it as easy as possible for teams to draw on each other as needed for support. If one team within a group has a pressure it needs to manage, the expectation in the first instance is that the group will meet this from other teams in the same group; if this isn't possible or sufficient, Directors will then discuss with colleagues to ascertain where resources can sensibly be reprioritised between groups. This flexibility, which does not require any central sign-off or approval beyond the level of the group, may involve a reallocation of staff time for a period of days, weeks or months, and occurs on a regular or ad hoc basis. One central group, for example, moves more staff onto Budget and Autumn Statement delivery (and away from other policy work) during the build up to fiscal events. Working flexibly in this way, within and between groups, has over the past couple of years become then normal way of doing business within the department.
- **Strategic Projects Pool:** Around 2 percent of the workforce belong to a strategic projects pool and are deployed across the organisation to support the delivery of core strategic priorities. When allocated to a project, staff are located with the relevant policy group

UNCLASSIFIED

and typically form part of a wider team that is put together using the group's own resources. Project pool staff usually work on projects lasting 3-6 months, undertaking several projects during a standard posting to the pool (1.5 - 2.5 years depending on grade). This innovation helps the Treasury respond to new pressures (for example: LIBOR reform, responding to the Heseltine Report) and strategic challenges (for example, developing policy options on childcare). It also enables the organisation to strengthen project working skills across the department and provides people with an exposure to multiple different parts of the organisation, broadening their skills and knowledge.

- **Crisis contingency:** Up to 40 staff belong to a financial crisis contingency reserve, formed of staff who have worked on financial stability and related matters since the start of the financial crisis in 2008 but have since moved on to other areas. In the event of a renewed financial/banking crisis, this gives the Treasury a pool of people it can immediately draw on with relevant skills and expertise to bolster the standing teams – for as short or as long as required. This reserve was used to good effect in the recent Cypriot banking crisis. While of long gestation, the active phase of that crisis fell into a few short weeks. Combined with reallocation of people within the existing financial stability group, the Treasury was able to more than triple the number of people working on the project during that critical period and to do so by reallocating people with the necessary personal experience to allow them to work effectively under the peculiar pressures of a financial crisis. As the crisis passed, these people then returned to their normal roles, minimising the disruption on the rest of the organisation.

How the Treasury is able to do this



With around 1100 employees in May 2013, the Treasury is among the smallest departments in Whitehall. It has a strong institutional culture and a workforce characterised by high performing individuals. Its work comprises a combination of regular delivery (eg an annual Autumn Statement and Budget, periodic spending rounds) and anticipating and responding to

new demands and often unforeseen pressures. As a small organisation with a broad reach, the Treasury also needs to work closely with other departments and with a wide range of organisations, firms and individuals across both the public and private sectors, in the UK and globally.

The department has therefore developed an approach that enables it to deliver on both its organisational and people demands, taking into account the need to manage with a shrinking work-force and retain skilled and experienced staff. Its flexible approach to the deployment of staff has been accompanied and facilitated by the introduction of more flexible IT systems and a move to desk sharing across the entire organisation, both of which are reducing costs and further embedding the culture of flexible working to meet business needs.

Impact achieved so far

Over the course of the Spending Review period (2011/12 to 2014/15), the Treasury is reducing in size by around 25%. The flexible working model, both within groups and via the project pool, is a central part of the reforms that are enabling it to continue to deliver a high quality service to Ministers with fewer resources. The benefits to the Treasury in terms of staff development, motivation and morale are also evident in the latest staff engagement index of 66%; above both the civil service average and the high performance benchmark.

More information



The Treasury's Annual Report (which includes information about our structure, management and core priorities) is available here: http://www.hm-treasury.gov.uk/dep_perf_reports_index.htm

The Treasury's staff survey results are available here: http://www.hm-treasury.gov.uk/about_staff_surveys.htm