

HM Treasury

Strategic Asset Management Plan 2017/18

Executive Summary

HM Treasury is the government's economic and finance ministry, maintaining control over public spending, setting the direction of the UK's constant changing and dynamic economic environment and working to achieve strong and sustainable economic growth. The government has set three strategic priorities for the Treasury:

- Reducing the structural deficit in a fair and responsible way;
- Securing a growing economy that is more resilient, and more balanced between public and private sectors; and
- Reforming the regulatory framework for the financial sector to avoid future financial crises.

The focus of HM Treasury remains at a high level, departmental which strategically meets the government estate strategy (GES) and is set within the context of HMT's business and transformation plans and cross-cutting government policies and initiatives.

About the Department

HM Treasury is committed to reducing its operating costs over the Parliament, whilst continuing to improve the efficiency and effectiveness of its services by:

- Focussing on the department's core function and continuing to improve the working environment and surroundings to accommodate the translucent requirements.
- Drive improved efficiencies and financial management through the EU exit negotiations and reform programmes
- Working with the National Infrastructure Commission and their transition to an executive agency status
- Reducing running costs through back office contract renegotiations, for example, telephony and by seeking additional income from the use of the only HM Treasury building on the government estate.

HM Treasury is made up from and works with other agencies and public bodies.

Non Ministerial Dept: National Savings & Investments (NS&I)

Executive Agencies:

UK Debt Management Office (DMO)
Government Internal Audit Agency (GIAA)
National Infrastructure Commission (NIC)

Executive Non-Departmental Public Body;

Office for Budget Responsibility (OBR)

Advisory Non-Departmental Public Body:

Royal Mint

National Infrastructure Commission (NIC) is an executive agency established in January 2017 responsible for unbiased government advice on the UK's long term infrastructure needs and for running detailed studies into the country's most pressing infrastructure challenges. These include, but not limited to the London transport infrastructure and energy

flexibility. The NIC is staffed by a mix of civil servants and secondees and works closely with the main regulators, infrastructure providers and the private sector.

The Debt Management Office (DMO): is an executive agency, established 1 April 1988 specifically to operate on an arm's length basis, both in policy and physical terms. A significant feature of the DMO's arm's length nature is its physical location in the City of London, close to its key market stakeholders and separate from ministers and HM Treasury. The DMO's location was determined to ensure the DMO's trading counterparts, including the investment banks; its primary dealers in gilts, are assured there is no ministerial intervention in the DMO's day to day market-sensitive business and information. DMO operates from leasehold premises in Eastcheap Court, London. Their site at Eastcheap also provides the temporary home for the NIC as well as the business continuity site for HM Treasury.

The Government Internal Audit Agency (GIAA): launched on 1 April 2015 as an executive agency of HMT. It ensures that government and the wider public sector deliver services effectively through providing quality assurance on organisation's systems and processes. It now occupies 250 sites across UK including occupying several offices in 1 Horse Guards Road.

The Office of Budget Responsibility (OBR): is a statutory body created in 2010 with a remit to provide independent and authoritative analysis of the UK's public finances. It recently moved to the 14th Floor of 102 Petty France. It has 5 main roles including economic & fiscal forecasting (production of 5 year forecasts for the economy and public finances twice a year with accompany the Budget Statement and Autumn Statement. It is supported by 27 civil servant permanent staff.

UK Government Investments (UKGI) is a wholly owned company owned by HM Treasury. HM Treasury is its sole shareholder and its activities are governed by its independent board. UKGI is accountable via its board to HM Treasury ministers and, through the Chancellor of the Exchequer, to Parliament. It is the government's centre of expertise in corporate finance, managing the government's investments in financial institutions and corporate governance based in 1 Victoria Street.

Delivery of Strategic Objectives

1 Horse Guards Road (1HGR), HM Treasury's main building, is grade 2* listed freehold (but subject to a PFI which expires in 2037). It accommodates HMT's five ministers as well as four ministers of other departments. 1HGR is now a multi-occupancy building. HM Treasury holds individual agreements with its occupiers, Cabinet Office, Northern Ireland Office, Government Internal Audit Agency, Royal Mint and UK Export & Finance

Despite the PFI, since 2010 HM Treasury is continuing to make significant savings related to its estate. This includes halving the net cost of the main building through renting out space to other departments as part of a Whitehall wide strategy seeking best overall value for money for the exchequer. HM Treasury will continue to rent out the building to these departments and will seek to improve efficient use of the building through renting out parts of it for commercial use outside of office hours, including weekends.

1 HGR is a freehold building as well as being under a PFI until 2037 and is therefore exempt from the transfer to the Government Property Agency.

HM Treasury is a minor occupier under the memorandum of terms of occupation (MOTOs) in three other government owned or controlled premises – No.11 Downing St, Rosebery Court, Norwich and Melville Crescent, Edinburgh.

HMT do not own any public sector land and therefore have no contribution to give to the supply of surplus land or property. The only ALB which will contribute to this is the NS&I.

HM Treasury family's estate is small but is anticipated to be sufficient for the department's needs for the foreseeable future.

There is a constant vigil for initiatives to use floor space more efficiently and the policy is to work more flexibly; making greater use of alternative working areas. Contingency plans in the event of short term need for extra desks include increasing desk-sharing ratios and reallocating, for example, breakout and contingency space as desk areas.

There is a multi skilled and qualified project, commercial and strategic team of civil servants in the property function for HM Treasury. The workplace team have focussed their accommodation strategy 2015-20 to respond effectively to short and longer term space demands. We annually review our desk allocation to identify and maximise space rationalisation opportunities and ensure we reflect the reducing shape of the organisation, making empty space available to be occupied by other public sector bodies. This ensures ongoing alignment with the principles of the government's agenda for 8m² space per FTE which remains a key objective whilst delivering optimum value-for-money and cost reduction for HM Treasury.

Treasury has committed to the government-wide sustainability targets day to day work on sustainability in the main building is initiated by our PFI contractors and their FM providers and is discussed on a regular basis. Any ideas for improving performance are scrutinised and funding applied for on a case by case basis. HM Treasury fully complies with the government's reporting mandates and statutory requirements.