

**PERMANENT SECRETARY INDIVIDUAL PERFORMANCE OBJECTIVES 2012/13**

<b>Name</b>	<b>Department</b>
<b>Nick Macpherson</b>	<b>HM Treasury</b>

<p><b>1. Business delivery objectives:</b></p> <ul style="list-style-type: none"> <li>• Ensure the delivery of HM Treasury's 2012-13 Business Plan/Work Programme, in particular:             <ol style="list-style-type: none"> <li>1. Ensure the fiscal consolidation programme remains on track, with public expenditure outturn consistent with plans.</li> <li>2. Promote sustainable economic growth, through supply side reform, while supporting implementation of pro-growth measures, eg through Infrastructure UK (working in partnership with the department for Business, Innovation and Skills and the Cabinet Office)</li> <li>3. Ensure contingency plans are in place in event of further pressure on banking system; that strategy for RBS and Lloyds continues to make progress; and that there is further progress on implementation of financial service regulatory reform taking into account the conclusions of the Tyrie Commission.</li> <li>4. Support Ministers in their objective of keeping Scotland within the UK, as part of the Government's preparations for a</li> </ol> </li> </ul>	<p><b>Performance Measures:</b></p> <ul style="list-style-type: none"> <li>• Feedback from the Chancellor and departmental ministers, and the Cabinet Secretary</li> <li>• Performance against work programme and business plan metrics</li> <li>• Fiscal projections consistent with mandate and spending consistent with plan.</li> <li>• Long term interest rates lower than France</li> <li>• Coherent and substantive measures to support growth, including implementation of measures in National Infrastructure plan</li> <li>• Tax measures, including simplification, that support growth</li> <li>• Stability of UK Banks relative to G7 partners.</li> </ul>	<p><b>Milestones:</b></p> <ul style="list-style-type: none"> <li>• Work programme in place by the start of the financial year</li> <li>• Six month challenge sessions demonstrate HMT is on track to deliver work programme objectives</li> <li>• Quarterly performance and risk reports</li> <li>• Budget and Autumn Statement</li> <li>• Autumn update on National Infrastructure plan</li> <li>• Publication of White Paper on banking reform</li> <li>• FS bill receiving Royal Assent by December 2012 and commencement by the end of Q1 2013</li> <li>• Establish and chair HMT programme board to develop economic case for the Union</li> </ul>
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<p>referendum in Scotland in 2013 or 2014</p> <ul style="list-style-type: none"> <li>• Lead the Treasury's relationship with Bank of England, and ensure the successful appointment of the new Governor.</li> <li>• Discharge responsibility as Principal Accounting Officer for the Treasury Group to the highest standard; and maintain a strong AO framework for public expenditure as a whole</li> </ul>	<ul style="list-style-type: none"> <li>• Successful launch of Govt work programme on Scotland</li> <li>• Peer review of evidence for the Union</li> <li>• New Governor appointed and endorsed by Treasury Committee</li> <li>• National Audit Office and Public Accounts Committee reports</li> <li>• External comment</li> </ul>	<ul style="list-style-type: none"> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>•</li> <li>• Post advertised by September and new Governor announced by December</li> <li>• Publication of relevant accounts before recess</li> <li>• Key decisions relating to HMT's asset holdings</li> </ul>
<p><b>2. Corporate objectives:</b></p> <ul style="list-style-type: none"> <li>• Promote value for money across Whitehall and ensure departments live with their Spending Review 2010 settlements while preparing for future spending reviews, working with the Cabinet Office</li> <li>• Play an active role in the management of the Civil Service through: Chairmanship of the Heads of Analysis Group, membership of the Civil Service Board, the Senior Leadership Committee, the Fast Stream Task and Finish group, the Remuneration</li> </ul>	<p><b>Performance Measures:</b></p> <ul style="list-style-type: none"> <li>• Feedback from the Chief Secretary, Minister for the Cabinet Office</li> <li>• Public spending outturns in line with plans; service performance maintained or improved</li> <li>• Implementation of civil service reform plan</li> </ul>	<p><b>Milestones:</b></p> <ul style="list-style-type: none"> <li>• Public Expenditure Outturn White Paper; Supplementary estimates</li> <li>• Departmental Reports/Quarterly Data Summaries</li> <li>• Civil service reform plan published and main milestones met</li> </ul>

<p>Committee and the Economy Honours Committee, in particular, lead work on strengthening the accountability of civil servants to Parliament</p>		<ul style="list-style-type: none"> <li>Managing Public Money reviewed and, as necessary, revised (Dec 2012)</li> </ul>
<p><b>3. Capability building objectives:</b></p> <ul style="list-style-type: none"> <li>Provide effective leadership for HM Treasury, setting direction, delivering results and developing its people; and in particular to strengthen senior management team to support twin objectives of growth and fiscal consolidation.</li> <li>Working with Board, actively plan, manage and prioritise HMT resources to achieve agreed headcount reductions whilst delivering Work Programme objectives and remaining responsive to emerging and cross-cutting issues.</li> </ul>	<p><b>Performance Measures:</b></p> <ul style="list-style-type: none"> <li>Measured through headcount and budget outturns throughout the year, and successful resourcing of new pressures in year</li> <li>Quality of senior team working on growth</li> <li>All Capability/ White review actions implemented on time. Succession Plan in place for top team</li> <li>Increase in number of HMT Senior Civil Servants identified as future talent</li> <li>Staff turnover reduced from 25% to 15-20%</li> </ul>	<p><b>Milestones:</b></p> <ul style="list-style-type: none"> <li>Monthly headcount figures</li> <li>Senior appointments</li> <li>6 month work programme review</li> <li>Board meetings</li> <li>Capability review milestones</li> <li>Board sub-committee talent discussion</li> <li>Respond to the Review of Treasury's management response to the financial crisis by July 2012</li> <li>Staff survey</li> </ul>