The GES: strengths and challenges

‘making economists better and the better use of economics’
Agenda

1. About us
2. Introduction to the UK’s Government Economic Service (GES)
   a) Entry requirements
   b) Hierarchy
   c) Appraisal and promotion
   d) Economists across Whitehall
3. Successes
4. Challenges
1. About us
Our background

Neil Golborne
- Department for Business Innovation and Skills, Economics and Markets Group (led by Samantha Beckett, Deputy Head of GES)
- Lead a flexible team of economists
- Joined GES in 1992 worked in 5 departments
- BA, Essex University; MSc Warwick University

Felicity Hannon
- HM Treasury
- Head of GDP, Economics Group (led by Dave Ramsden, Head of GES)
- Internal and external analytical experience
- MPhil Economics, Cambridge University
2. Introduction to GES
a. GES requires an extra assessment

- **University**
  - 2.1 Degree or Masters
  - Economics

- **Online tests**
  - Verbal reasoning
  - Numeracy

- **Economic Assessment Centre (EAC)**
  - Interview
  - Technical assessment
  - 10 short Qs
  - Presentation

- **Fast stream Assessment Centre (FSAC)**
  - Group discussion
  - Policy review
  - Opportunity to re-sit

- **Fast streamer**
  - Typically 2 roles for 18 months

As well as the normal steps of the Fast Stream application process, applicants for have to pass an extra assessment called EAC.

- Annual intake typically 200 selected from around 1300 applications.

- If you’re successful at the EAC but not the FSAC, there may be the possibility of a provisional temporary appointment.
b. GES Hierarchy

- Economists have same grading structure as policy professionals within each Department.

- But to reach highest grades in Civil Service (DG, Permanent Secretary), need to switch to policy role.

- There is some variation across departments (grading and salaries).
c. Performance is assessed against objectives and behaviors...

<table>
<thead>
<tr>
<th>Appraisal</th>
<th>Promotion</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Every civil servant is graded 1, 2 or 3 at mid year and end year. Marking depends on performance against objectives and behaviors (including soft skills).</td>
<td>• Promotion at all levels is competitive and competition varies by role – it is not related to time in post.</td>
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<tr>
<td>• End year box marking determines size of pay rise.</td>
<td>• Application and interviews, sometimes psychometric testing.</td>
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<td>• 360 degree feedback</td>
<td>• Interviewing panel assess whether applicant displays the competencies required of the next grade up.</td>
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<td>• Appraisal is also used to identify development needs</td>
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</table>
d. All Departments have an economics capability led by a Chief Economist

- Size of economics teams varies according to size of department and balance between policy/implementation.
- Budget holders in Departments (e.g. DGs) decide how many economists they need.
- Chief Economists meet regularly to discuss professional issues, chaired by Dave Ramsden and/or Sam Beckett.

<table>
<thead>
<tr>
<th>Department</th>
<th>Total economists</th>
<th>Total core staff</th>
<th>Economists/core staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>HM Treasury</td>
<td>136</td>
<td>1,220</td>
<td>11%</td>
</tr>
<tr>
<td>Health</td>
<td>67</td>
<td>1,920</td>
<td>3%</td>
</tr>
<tr>
<td>Energy and Climate Change</td>
<td>93</td>
<td>1,570</td>
<td>6%</td>
</tr>
<tr>
<td>Education</td>
<td>22</td>
<td>2,290</td>
<td>1%</td>
</tr>
<tr>
<td>International Development</td>
<td>116</td>
<td>1,900</td>
<td>6%</td>
</tr>
<tr>
<td>Transport</td>
<td>79</td>
<td>1,850</td>
<td>4%</td>
</tr>
<tr>
<td>Business, Innovation and Skills</td>
<td>128</td>
<td>3,080</td>
<td>4%</td>
</tr>
<tr>
<td>Communities and Local Government</td>
<td>32</td>
<td>1,680</td>
<td>2%</td>
</tr>
<tr>
<td>Justice</td>
<td>55</td>
<td>4,220</td>
<td>1%</td>
</tr>
<tr>
<td>Culture, Media and Sport</td>
<td>7</td>
<td>390</td>
<td>2%</td>
</tr>
<tr>
<td>Environment, Farming and Rural Affairs</td>
<td>65</td>
<td>2,070</td>
<td>3%</td>
</tr>
<tr>
<td>Cabinet Office</td>
<td>21</td>
<td>2,030</td>
<td>1%</td>
</tr>
<tr>
<td>Foreign and Commonwealth Office</td>
<td>36</td>
<td>4,610</td>
<td>1%</td>
</tr>
<tr>
<td>Home Office</td>
<td>24</td>
<td>23,520</td>
<td>0%</td>
</tr>
<tr>
<td>Work and Pensions</td>
<td>91</td>
<td>95,920</td>
<td>0%</td>
</tr>
<tr>
<td>HM Revenue &amp; Customs</td>
<td>56</td>
<td>69,310</td>
<td>0%</td>
</tr>
<tr>
<td>Defence</td>
<td>18</td>
<td>48,540</td>
<td>0%</td>
</tr>
</tbody>
</table>

Notes: Some departments include implementation staff in core (e.g. tax and benefit inspectors); figures correct as of January 2014; excludes government economists working in agencies.
3. Successes
Successes: Increasing demand and high impact analysis

1. Growing demand for analysis has translated into increased demand for economists

2. GES is over represented in Senior Civil Service: 5 current permanent secretaries started their careers in the GES

3. High impact analysis: Euro five economic tests; analysis relating to Scottish independence and EU membership; and public sector efficiency.
What contributes to GES success...?

- Robust challenge from HM Treasury – “where is your evidence?”
- Appraisal and evaluation frameworks (Green Book) which shape policy making process.
- Championed institutions that have increased influence (e.g. better regulation).
- Highly independent media.
- Links with a strong, independent, research base (e.g. Universities).
- Locating SCS led analyst teams in policy led directorates helps build relationships with policy teams.
- Our ‘federal model’ allows economists to specialise while also getting cross-government support.
4. Challenges
Limited resources

Faced with limited budgets, there is pressure on leaders to manage change, deliver their objectives, improve systems and release resources to other teams that are working on Ministerial priorities.

Figure 6.2. Change in selected departments’ budgets, 2010–11 to 2019–20

Note: DEL stands for Departmental Expenditure Limit
Ensuring quality

• Complex policy problems; IT enables more powerful analytical tools and access to larger datasets.

• How do you manage analytical complexity?
  – **Assurance**: Implementation of the Macpherson review requires all business critical models to be Quality Assured.
  – **Being Relevant**: Drawing on larger and non-traditional data sources (e.g. credit card companies); data linking and new approaches (e.g. behavioral economics).
Any Questions?