

Non-executive member of the Office for Budget Responsibility

Candidate pack

Foreword

Dear applicant,

Thank you for your interest in the role of non-executive member of the Office for Budget Responsibility. The work of the OBR is an important part of the UK's macroeconomic framework, requiring close engagement with HM Treasury and departments that undertake forecasts and analysis on our behalf. I, along with the Budget Responsibility Committee and leadership team, greatly value the contributions and perspectives of our non-executive members on managing these relationships, particularly in terms of maintaining our independence from, while also being responsive to the policy-making needs of Government and ensuring our accountability to Parliament and the public. We also rely on our Oversight Board to provide guidance on our internal decision-making processes and external engagement, both of which have come under intense scrutiny in the last 12 months.

We are actively seeking to increase the diversity of our Oversight Board and staff and therefore encourage applicants from all backgrounds, irrespective of race, age, gender, marital status, religion and sexual orientation.

Richard Hughes

Chair

Overview

The OBR was created in 2010 to provide independent and authoritative analysis of the UK's public finances. The Budget Responsibility and National Audit Act 2011 and the Charter for Budget Responsibility set out the legal requirements of the Office, but it has complete discretion over how to deliver its core objectives.

The OBR is led by the Chair, Richard Hughes, along with the two other members of the Budget Responsibility Committee (BRC), Professor David Miles CBE and Andy King. The Oversight Board consists of the BRC plus two non-executive members of the OBR. The latter two positions are currently held by Sir Chris Kelly, who chairs the Oversight Board, and Bronwyn Curtis OBE, who chairs the Audit Committee.

We are seeking candidates to replace Sir Christopher Kelly, whose second term ends on 20 June 2023.

Bronwyn Curtis's term comes to an end in June 2024. In the event that more than one candidate meets the required standard and is willing to defer taking up the position until that date, we may appoint both non-executive members within this single recruitment process.

Non-executive members are nominated by the OBR and appointed by the Chancellor of the Exchequer.

The OBR has around 45 civil service staff, led by the Chief of Staff, Steve Farrington, and is located in 102 Petty France. It has a budget of around £4 million a year.

Role profile

This role requires excellent judgement, undisputed integrity and proven independence, combined with outstanding communication and interpersonal skills. Candidates will be expected to have a deep understanding of the role and functions of the OBR and be able to demonstrate that they have experience of providing strategic leadership in an organisation at a very senior level.

The non-executive members of the OBR do not need to have technical economic or fiscal expertise, and are not appointed in the capacity of technical experts. The successful candidate will bring experience and skills that will complement those of the expert BRC, to contribute to the successful leadership and good governance of the OBR as part of the Oversight Board.

The successful candidate must be able to demonstrate the experience, skills and personal characteristics necessary to perform the roles, including:

- A track record of strategic leadership of an organisation at the highest level in the public sector, business, financial markets, voluntary sector, or academia. Experience relevant to the economic and/or policymaking environment in which the OBR operates would be an advantage.
- Excellent judgement, undisputed integrity and proven independence, with the ability to maintain discretion and engender trust in staff, peers and stakeholders, including Parliament and the Chancellor. This includes the proactive and assiduous management of any actual or potential conflicts of interest.
- A strong awareness of contemporary best practice in the governance of public or private organisations and an ability to apply strategic insights and input for the benefit of the OBR on a range of issues.
- A deep understanding of the role and function of the OBR and a full appreciation of the wider environment and policy context in which the OBR operates, and the challenges it faces.
- Outstanding communication and interpersonal skills with an ability to communicate with complete credibility to all audiences, a proven inclination to work in a constructive way and sufficient authority to command the respect of fellow OBR members.

It would also be desirable to have recent financial experience relevant to managing a small public sector organisation such as the OBR, with this being particularly relevant to contributing to the Audit Committee functions of the OBR.

We will test these all of these attributes during the interview process.

About the Office for Budget Responsibility (OBR)

We have five main roles:

1. Economic and fiscal forecasting

We produce detailed five-year forecasts for the economy and public finances twice a year. The forecasts accompany the Budget Statement (usually in late November) and the Spring Statement (usually in March). They incorporate the impact of any tax and spending measures announced in those statements by the Chancellor.

The details of the forecasts are set out in the [Economic and fiscal outlook](#) (EFO). Our annual [Forecast evaluation report](#) (FER), published each autumn, examines how they compare to subsequent outturns and draws lessons for future forecasts.

2. Evaluating performance against targets

We use our public finance forecasts to judge the Government's performance against its fiscal targets. In January 2022 the Government set itself a new mandate for fiscal policy: to have public sector net debt (excluding the Bank of England) as a percentage of GDP falling by the third year of the rolling forecast period. The fiscal mandate is accompanied by three supplementary targets: to balance the current budget by the third year of the rolling forecast period; to ensure that public sector net investment does not exceed 3 per cent of GDP on average over the rolling five-year forecast period; and to ensure that a subset of welfare spending is contained within a predetermined cap and margin set by the Treasury.

In each [Economic and fiscal outlook](#), we assess whether it has a greater than 50 per cent chance of hitting these targets under current policy. Our [Welfare trends report](#) (WTR), now published once every two years, examines the drivers of welfare spending, including both those elements inside and outside the cap.

3. Sustainability and balance sheet analysis

We assess the long-term sustainability of the public finances: [Fiscal risks and sustainability](#) (FRS) – the successor to the Fiscal sustainability report (FSR) – periodically sets out long-term projections, typically following the release of updated population projections from the Office for National Statistics. These long-term projections cover different categories of spending, revenue and financial transactions, and we assess whether they imply a sustainable path for public sector debt.

Both the FRS and the EFO also analyse the public sector's balance sheet, using both conventional National Accounts measures and the Whole of Government Accounts (WGA) prepared using commercial accounting principles.

4. Evaluation of fiscal risks

The annual [Fiscal risks and sustainability](#) publication (*FRS*) – which superseded our Fiscal risks report (*FRR*) – periodically provides a comprehensive review of risks from the economy and financial system identified in our fiscal risk register, and also includes discussions of specific fiscal risks. In addition to producing central forecasts and projections for the public finances, the *EFO* and the *FRS* discuss the risks to those forecasts and projections (both upside and downside). The WGA also provides further information on specific fiscal risks, notably contingent liabilities (such as government guarantees), which we discuss in both the *EFO* and the *FRS*.

5. Scrutinising tax and welfare policy costing

We scrutinise the Government's costing of individual tax and welfare spending measures at each Budget. The Government provides us with draft costings in the run-up to each statement and we subject these to detailed scrutiny and challenge.

We then state in [Annex A](#) of each *EFO* and in the [Treasury's policy costings document](#) whether we endorse the costings that the Government finally publishes as reasonable central estimates and whether we have used them in our forecasts. We also give each costing an uncertainty rating, based on the data underpinning it, the complexity of the modelling involved and the possible behavioural impact of the policy.

These five roles all focus on the public finances at a UK-wide level. But the UK Government also asked us to forecast the receipts from those taxes and spending from social security that it has devolved – or intends to devolve – to the Scottish and Welsh governments.

Our [Scottish and Welsh revenue forecasts](#) are published alongside our *EFOs* and Welsh Government Budgets.

We also publish independent forecasts for the devolved taxes alongside the Welsh Government's Budget.

In support of these activities, we undertake a variety of research projects through the year. We publish [briefing material](#) to inform people about our work, and we provide a same-day [briefing](#) on the monthly public finances

statistics, to help people interpret the latest data in the light of our most recent forecasts.

Responsibilities of non-executive members

The non-executive members of the OBR play an important role in ensuring the good governance of the Office, safeguarding the independence of the OBR and ensuring that the executive members of the OBR are supported and constructively challenged.

The non-executive members have a number of responsibilities set out in the legislation establishing the OBR. These statutory duties are to:

- assess if the OBR has been able to perform its main duty with complete discretion and in line with its three principles (impartially, objectively and transparently), and report on this in the OBR's annual report;
- review regularly that the OBR has appropriate processes in place to ensure it produces a high standard of work; and
- periodically, and at least every five years, appoint independent, expert reviewers, to conduct a review to consider the quality of all the reports produced by the OBR in that period. The next review should report in 2025.

Other roles that the non-executive members perform include:

- **Forming part of the Oversight Board:** providing strong and independent leadership of the OBR as part of the Oversight Board, with collective responsibility for setting the strategic direction of the OBR and ensuring it is managed efficiently and effectively.
- **Providing support and constructive challenge, and safeguarding independence:** providing the highest quality judgement and advice on the full range of issues covered by the Oversight Board and playing a key role in safeguarding the independence of the OBR, through the capacity to advise and report from an external perspective. This may involve being available to appear before Parliamentary committees on these matters.
- **Taking a lead role in advising on matters related to audit and risk:** the Oversight Board must assure itself of the effectiveness of the internal control and risk management systems of the OBR. This Audit Committee function involves both non-executive members and is led by one non-executive member.
- **Chairing internal meetings of the OBR:** one non-executive member has responsibility for chairing Oversight Board meetings and the other has responsibility for chairing the Audit Committee. These are inward-facing

roles that involve facilitating board and audit committee meetings, formulating their strategies and setting their agendas.

Terms of appointment

Non-executive members' terms are for three years. With the agreement of the Chancellor, a non-executive member may serve a maximum of two terms.

These are part-time roles, with an anticipated time commitment of around 6 days per year. The Oversight Board and Audit Committee meetings take place three times a year, usually in January, June and September.

The positions will not be remunerated. Reasonable expenses will be paid.

The non-executive members are not required to hold UK nationality. UK residence is expected.

Any successful candidate will be expected to abide by the Seven Principles of Public Life, these are:

1. Selflessness
2. Integrity
3. Objectivity
4. Accountability
5. Openness
6. Honesty
7. Leadership

More information on the Seven Principles can be found here:

<https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2>

As part of the recruitment process, this will be reviewed in due diligence checks, including social media checks that will be undertaken on short-listed candidates.

How to apply and timetable

Applications should consist of the following:

A full CV (including education and professional qualifications, career history, and relevant achievements and responsibilities).

A covering letter of no more than two sides of A4 setting out:

- how you meet the appointment criteria as detailed in the role profile;
- the evidence from your career that best demonstrates your qualifications for the appointment; and
- the earliest date you would be able to start in the role in the event of a successful application.

The names of two referees who know you in a capacity to comment on your suitability for the appointment and have authoritative and personal knowledge of your achievements. References will only be taken up for short-listed candidates but will be sought prior to the interview.

Daytime and evening telephone contact numbers and e-mail addresses, which will be used with discretion.

You should return your application along with a completed diversity, disability, political activity and conflict of interest monitoring questionnaire. Personal information you supply on this questionnaire will not be seen by those involved in making the selection decisions but will be used to monitor the effectiveness of our recruitment processes. Conflict of interest information will be supplied to the panel and may be discussed as part of the interview.

Your application will be acknowledged shortly after receipt and you will be informed in writing or by telephone of the progress of your application.

Your CV and covering letter can be submitted via email to: jobs@obr.uk

Or it can be submitted by post to:

OBR Recruitment

14T, 102 Petty France

London

SW1H 9AJ

Applications for this role must arrive no later than **17:00 on 17 March**.

Interviews are expected to take place in April and an announcement about the appointment is expected in May.

If you require any information in an alternative format, or have any queries concerning your application please contact jobs@obr.uk

Expenses

If you are invited for interview, reasonable and necessary travel expenses will be reimbursed on application. Those invited to interview will be advised on how to claim such expenses.

Equality of Opportunity

All disabled applicants will be guaranteed an interview, provided they meet the minimum criteria for the post, and state their eligibility in their covering letter.

Complaints

If you feel you have reason for complaint about the appointment process or the manner in which your application was handled, please contact jobs@obr.uk