

JON THOMPSON



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D/PUS/ 5/1(10)

25 January 2016

Dear Mark,

**APPOINTMENT AS SENIOR RESPONSIBLE OWNER FOR THE CARRIER
ENABLED POWER PROJECTION PROGRAMME**

This letter confirms your appointment as the Senior Responsible Owner (SRO) for the Carrier Enabled Power Projection (CEPP) Programme. As SRO, you are personally accountable to me for delivering the programme and for the realisation of the expected benefits.

Director General Finance (with the Vice-Chief of the Defence Staff, the Director General Head Office and Commissioning Services) as required, supported by the Defence Portfolio and Approvals Secretariat (DP&AS)) will routinely represent my interest in supporting and holding you to account as SRO, referring matters to the Head Office Management Group and/or the Defence Board or me as necessary. If you encounter issues which cannot be resolved through these governance processes you should escalate them to me.

It is understood that, because of your other responsibilities, you will not be able to devote yourself to this role in a full time capacity. However, you have confirmed that you are able and willing to devote no less than 15 per cent of your time to being the Senior Responsible Owner for this programme, noting you have a full time 2* Programme Director and Programme Office to support you.

In addition to your internal accountabilities you should also be aware that SROs will now be held personally accountable to Parliamentary Select Committees. You will be expected to account for and explain the decisions and actions you have taken to deliver the programme (or specific milestones). It is important to be clear that your accountability relates only to implementation: it will remain for the Minister to account for the relevant policy decisions and development.

As CEPP is in implementation, in your case this means that from the date of signature of this letter you will be held personally accountable for delivery and could be called by Select Committees.

The specific details of the CEPP Programme are contained in the programme mandate and subsequent approved business case(s). These describe the required outcomes the programme is to deliver and the benefits that are to be realised as a result. In summary the aim of CEPP is to deliver an integrated and sustainable joint capability, interoperable with NATO and coalition allies, that enables the projection of UK Carrier Strike and Littoral Manoeuvre power, the ability to support Discrete Tasks, as well as delivering Humanitarian Assistance and Defence Diplomacy.

The role and responsibilities of an SRO, as well as the relationship with Top Level Budget (TLB) holders, are explained in the Department's SRO Policy, which will be updated periodically. You should follow the guidance in that document. You are also to make yourself aware of the Infrastructure and Projects Authority (IPA) requirements which will require your personal engagement. Clarification on the guidance and IPA requirements can be provided by DG Finance and DP&AS.

As SRO you are to develop, maintain and communicate the vision of the programme to all stakeholders. Key stakeholders, particularly in other TLBs with which the programme has inter-dependencies, are to be identified and engaged throughout the life of the programme. You are to ensure, through leading and guiding the programme, that it delivers coherent capability through the achievement of its strategic outcome and the realisation of benefits in line with the approved programme mandate and approved business cases.

The established practice under Defence Reform, delegates responsibility to where it is most effectively exercised; for CEPP, lead Command responsibility for the Carrier and Crowsnest projects is Navy Command and for the Lightning II project is Air Command.

The respective SROs for these individual projects will report to you for the key deliverables that form part of the CEPP Capability, and you should issue mandates accordingly in consultation with the appropriate Commands. You are authorised to assure yourself that the respective Command projects are proceeding in accordance with their respective schedules and that the necessary interoperability and schedule coherence is in place. Implicit in this is that you may require the Commands to give you whatever information you judge is necessary, in pursuance of this assurance function.

You are to ensure the ongoing viability of the programme. In doing so you are to champion the programme to secure the resources necessary to run the programme and for the related transition activities required to realise the intended benefits. Where you have formal financial delegated authority (governed in MOD through separate mechanisms to SRO appointment), you are responsible for strict adherence to the terms of your delegated authority.

You are responsible for submitting business cases and reports as appropriate to the Investment Approvals Committee. In doing so you will monitor the programme's status, its forecast timescales, costs and benefits and key risks and dependencies and report issues (including any likelihood of exceeding approved tolerances) openly and transparently.

You should pay particular attention to ensuring the effectiveness of the governance, assurance and programme management arrangements that you will establish and maintain throughout the life of the programme. You should adopt best practice and be prepared to justify any deviation from it, in line with guidance published by the Cabinet Office (Efficiency and Reform Group) and DP&AS. This must include:

- Appointing, chairing and setting priorities for the Programme Board.
- Ensuring the effectiveness and performance of the programme organisation.
- Ensuring appropriate assurance is in place including the commissioning of assurance and audit reviews.
- Providing reports as required to DP&AS.

In order to ensure that you are best able to discharge your SRO role and responsibilities, I would normally expect you to attend the Major Projects Leadership Academy. You should discuss this requirement with me at the earliest opportunity.

To widen their experience and understanding of their role, SROs are expected to become accredited Project Assurance reviewers and to lead or participate in such reviews for other Government departments, the wider public sector or other areas of the MOD as appropriate. You should discuss with DP&AS the implications of becoming an accredited reviewer, which you should note would require you to participate in such reviews at least once every 12-18 months to maintain your accreditation.

The Programme Status, including the available budget, at the date of your appointment is reflected in the most recent quarterly report on the programme to the IPA. Information on programme status and progress is published annually by the IPA. This is the publicly agreed position as you assume formal ownership of the programme.

Finally, you should note that an SRO should remain in place throughout the programme, or be replaced only when a distinct phase of delivery is completed. It is anticipated that you will remain SRO for CEPP for the duration of your tenure or at least until January 2019. During your tenure it is expected that you will be responsible for achieving the following programme milestones, outcomes and/or benefits:

- Maintain progress with programme delivery to the priority headmark of Initial Operating Capability (Carrier Strike) by December 2020, whilst preparing the programme to migrate into the 'operation' phase from 2018.
- Complete a re-baseline review of the Carrier Strike Change Programme, by April 2016, as part of the implementation of SDR 2015 measures.
- By May 2016 present a plan to improve CEPP programme delivery confidence to Amber/Green, which must include a realistic timeframe to achieve this improved delivery confidence.
- Conduct Readiness Reviews at the appropriate time to provide confidence in the delivery of key programme milestones..

You should ensure that you notify the Head of DP&AS in good time of your departure and of any proposed transfer of your SRO role to a future SRO. You will remain as SRO until notified otherwise in writing by DP&AS; your SRO-ship will not (as a rule; exceptions to be agreed by DG Finance) automatically cease upon a change of post but when your successor is formally appointed.

As per the Cabinet Office guidance on Giving Evidence to Select Committees (October 2014) this appointment letter and your name will be published.

Yours sincerely,

A handwritten signature in black ink that reads "Jon Thompson". The signature is written in a cursive, slightly slanted style.

Jon Thompson,
Permanent Secretary

Appointment approved by:

Rt Hon Michael Fallon, Secretary of State, Ministry of Defence: 21 January 2016

Tony Meggs, Chief Executive, Infrastructure and Projects Authority: 10 January 2016