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24 March 2016

Dear Lt Gen Paul Jaques,

**APPOINTMENT AS SENIOR RESPONSIBLE OWNER FOR THE LOGISTICS
COMMODITIES SERVICES TRANSFORMATION PROGRAMME**

This letter confirms your appointment as the Senior Responsible Owner (SRO) for the Logistics Commodities Services Transformation (LCS(T)) 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 and/or the Deputy Chief of the Defence Staff (Military Capability) 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 5 per cent of your time to being the Senior Responsible Owner for this programme.

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 LCS(T) 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 LCS(T) 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 the programme is to reform the provision of commodity procurement, storage and distribution services for the Armed Forces by developing a service of the right size for current military requirements and reducing cost through modernisation of current facilities and the processes in operation.

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.

You are to ensure the on-going 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, you will be required (except in certain circumstances where the investment might not be justified) to attend the Major Projects Leadership Academy.

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 arrange through DP&AS to become an accredited reviewer, and as such you will be required 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 LCS(T) until at least spring 2019. During your tenure it is expected that you will be responsible for achieving the following programme milestones:

- Defence Fulfilment Centre build completed – November 2016
- Defence Fulfilment Centre fully operational – April 2018
- New IT systems fully operational – July 2018

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, appearing to read 'Jon Thompson', written in a cursive style.

JON THOMPSON

Appointment approved by:

Tony Meggs, Chief Executive, Infrastructure and Projects Authority: 23 March 2016