Department for Work & Pensions

Date: 16 May 2018

To: Richard Cornish, Senior Responsible Owner
for the Fraud, Error & Debt Programme

From: Peter Schofield CB, Permanent Secretary,
Department for Work and Pensions

Tony Meggs, Chief Executive, Infrastructure and Projects Authority

Appointment as Senior Responsible Owner for the Fraud, Error & Debt Programme

We are writing to formalise your appointment as the Senior Responsible Owner (SRO) of the **Fraud, Error & Debt Programme**, which took effect from 1 January 2017. You are directly accountable to the DWP Accounting Officer, under the oversight of the Minister for Work and Pensions (Lords). This will be a part time role.

As SRO you are personally responsible for delivering the Programme. You are held accountable for delivering its objectives, benefits and policy intent, for securing and protecting its vision, for ensuring that it is governed responsibly, reported honestly, escalated appropriately and for influencing constructively the context, culture and operating environment of the Programme.

In addition to your internal accountabilities, you should also be aware that SROs of Government Major Projects Portfolio (GMPP) Programmes and projects are held personally accountable to Parliamentary Select Committees. You will be expected to account for, and explain, decisions and actions you have taken to deliver the Programme or specific milestones within the delivery plan.

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.

Tenure of Position

You will be expected to remain in this role until the end of the Programme, which is planned for March 2020. Its acknowledged benefits emanating from the Programme will be monitored through to the end of the Business Case in 2026/27.

Objectives and Performance Criteria

The high level objectives of the Fraud, Error & Debt Programme are to:
- Ensure the Programme is fully aligned to the Department's overarching objectives through the delivery of projects and initiatives that support realisation of the vision.
- Support the Department in the delivery of the FED Strategy to reduce levels of fraud, error and debt across the benefit and tax credit systems during SR15 (and beyond).
- Deliver systematic controls across the benefit and credit systems, adapting processes and implementing systems and new ways of working to reduce fraud, error and debt by the end of the Programme.

As you know, the Department is also transforming the way it delivers its business by introducing digitally-based, user-centred services to better meet customer needs and deliver increased efficiency. As SRO of the Fraud, Error & Debt Programme, you will need to be sighted on and aligned with Departmental Strategy and the Single Departmental Plan and attend appropriate governance fora to provide assurance that the Programme deliverables are aligned with DWP's strategic direction and processes.

Any proposed changes to the Programme's scope which impact on government policy, digital transformation or the benefits your Programme has been set up to deliver must be authorised by the Accounting Officer, who may delegate his decision-making authority to DWP's Investment Committee (IC), and may be subject to further levels of approval. You are also responsible for recommending to the Accounting Officer or the IC, the need to either pause or terminate the Programme where necessary and in a timely manner.

Programme Status

The most recent IPA review in April 2018 assessed programme deliverability as **AMBER/GREEN**.

The whole life cost for this Programme is as per the latest approved business case. This and the latest issued budget allocation for the Fraud, Error & Debt Programme can be found at **Annex 1**.

Detailed guidance on SRO roles and responsibilities is attached at **Annex 2**. You should follow that guidance and also ensure that you understand the guidance "Giving Evidence to Select Committees – Guidance for Civil Servants" [1] and make yourself aware of the Infrastructure and Projects Authority (IPA) guidance on the management of major projects[2].

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[1] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/364600/Osmotherly_Rules_October_2014.pdf

[2] https://www.gov.uk/government/policy-teams/major-projects-authority

Extent and Limit of Accountability

HM Treasury spending controls will apply, as set out within the HMT Delegated Spending Authority letter. Where the Fraud, Error & Debt Programme exceeds the delegated authority set by HMT, the Treasury Approval Point process will apply and the details of each approval process must be agreed with the DWP's HMT spending team.

You should note in particular that where expenditure is considered novel, contentious, repercussive or likely to result in costs to other parts of the public sector, HMT approval will be required regardless of whether the project exceeds the delegated authority set by HMT.

Additionally, following recommendation from the Public Accounts Committee (PAC), from April 2017 an Accounting Officer assessment should always be produced for projects or Programmes which form part of the GMPP at the outline business case stage (or at the point when it enters the GMPP if this is later). However as these stages have passed for the Fraud, Error & Debt Programme there is no requirement to complete retrospectively.

You should note that an Accounting Officer assessment should be prepared at subsequent stages of the Fraud, Error & Debt Programme if it departs from the four standards (regularity, propriety, value for money and feasibility), or the agreed plan – including any contingency – in terms of costs, benefits, timescales, or level of risk.

It is for you, as the SRO, to decide whether or not an Accounting Officer assessment should be prepared at any other stage of the Programme. You should be prepared to defend your decisions to Parliament if challenged, for example, if called to give evidence to the Public Accounts Committee.

You should ensure that you operate at all times within the rules set out in Managing Public Money.[3]

In addition you must be mindful of and act in accordance with the specific Treasury Delegated limits and Cabinet Office controls relevant to projects. Information on these controls can be found here.[4]

Major Projects Leadership Academy (MPLA)

As the SRO of a GMPP Programme, you are required to attend the Major Projects Leadership Academy (MPLA), and we understand you are awaiting assignment to a future cohort. However, we acknowledge that you are part of cohort 12 of the cross Government High Potential Development Scheme (HPDS) during 2018/19 so will join an MPLA cohort at a point that does not conflict with HPDS

Following graduation from the MPLA, we will both expect and support you to continue your on-going professional development, and will encourage you to take an active part in MPLA alumni activities. On graduating, you will also become a recognised, accredited IPA reviewer and as such will be expected to lead or participate in such

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[3] https://www.gov.uk/government/publications/managing-public-money
[4] https://www.gov.uk/government/publications/cabinet-office-controls/cabinet-office-controls-guidance-version-40

reviews for other Government Departments, the wider public sector and other areas of the Department for Work and Pensions as appropriate.

You will be required to participate in such reviews at least once every 12 months to maintain your accreditation.

We would like to take this opportunity to wish you continued success in your role as SRO for the Fraud, Error & Debt Programme.

Yours sincerely,

Peter Schofield CB   Tony Meggs
Permanent Secretary   Chief Executive
Department for Work and Pensions   Infrastructure and Projects Authority

I confirm that I accept the appointment including my personal accountability for implementation of the Fraud, Error & Debt Programme detailed in the letter above.

Name of SRO: Richard Cornish

Signature of SRO:

Date:

Fraud Error & Debt Programme – Budget and Costs

The latest planning assumptions are:

2018/19 Budget Allocation	Approved Business Case Whole Life Cost
£62.144m	£245.5m

Sources:
- 2018/19 Budget Allocation from DWP RAM dated 22 March 2018
- Whole Life Cost from Annex D (Live Projects Affordability Statement) FED Programme Business Case v6.0 base-lined 13 March 2018 by FED Programme Board (Excludes Depreciation)

Senior Responsible Owner Role and Accountabilities

The role of the SRO

You are personally accountable for ensuring the on-going delivery of the **Fraud, Error & Debt Programme**. You are responsible for ensuring that the related implementation and transition activities will deliver the agreed objectives and the benefits stated in the business case. You will be personally accountable to Parliamentary Select Committees and be expected to explain the decisions and actions you have taken. This could include where a Minister has intervened to change the project during the implementation phase in a way which has implications for the cost and/or timeline of implementation. You will be able to disclose your advice about any such changes.

You must ensure the effectiveness of the governance, assurance and Programme management arrangements and maintain them through 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.

An SRO will:

- Be a visible, engaged and active Programme leader, not a figurehead;
- Ensure that the agreed outcomes and the stated benefits are deliverable;
- Create an open, honest and positive culture committed to delivering at pace;
- Challenge senior officers and Ministers when appropriate and escalate quickly;
- Provide appropriate support, steer and strategic focus to the Programme Director and ensure that they have a clear and current letter of appointment; and
- Have sufficient time, experience and the right skills to carry the full responsibilities of the role.

Specific SRO accountabilities

Ensure the Programme is set up for success

- Ensure that the Programme is set-up to make an unambiguous and demonstrable link to strategic policy;
- Translate the policy intent into clear deliverables which are established and agreed with senior stakeholders;
- Carry out robust and commercially viable options appraisal, which balances the risk with opportunity, as part of initial Programme feasibility;
- Establish a firm business case for the Programme during the initiation/definition phase and ensure that any planned changes continues to be aligned with the business;
- Identify and secure the necessary investment for the business case (this includes both budget and operational resource);

- Design and implement robust, appropriate and transparent Programme governance; build strong and effective relationships with key stakeholders, justifying their trust and retaining their confidence, and obtain commitment to benefits realisation.

Ensure that the Programme meets its objectives and that the projected benefits are deliverable

- Gain agreement to the Programme objectives and the benefits to be delivered amongst stakeholders, including Ministers where appropriate;
- Understand the broader government perspective and its impact on the Programme;
- Ensure the strategic fit of the Programme objectives and the stated benefits, taking appropriate action where necessary to ensure their successful delivery.

Develop the Programme organisation and plan

- Ensure that there is a coherent organisation structure and appropriately detailed Programme plan;
- Build the right team, securing necessary resources and skills and providing clear lines of accountability;
- Provide appropriate support, steer and strategic focus to the Programme Director.

Monitor and take control of progress

- Monitor and control the progress of the project at a strategic level, being honest and frank about project progress, risk and issues;
- Monitor benefits and ensure that any changes to the agreed Programme stated benefits are flagged appropriately within Programme governance and that the business case is updated accordingly (throughout the project life-cycle);
- Ensure that the integrity of the Programme is maintained and speak truth to power – including to Parliamentary Select Committees;
- Communicate effectively with senior stakeholders regarding Programme progress and provide clear, appropriate and delivery-focused decisions and advice to the Programme Director.

Ensure problem resolution and referral processes are appropriate and effective

- Identify, understand and drive the successful mitigation of project risks;
- Escalate serious issues quickly and with confidence to senior management and/or Ministers;
- Develop strong and effective engagement between project/programme teams and its stakeholders and sponsors;
- Ensure the communication processes are effective and that the project's objectives and deliverables continue to be consistent with the organisation's strategic direction.

Ensure that the Programme is subject to review at appropriate stages

- Recognise the value of robust Programme review and ensure it occurs at key points in the Programme lifecycle, particularly at the pre-initiation (feasibility) and initiation stages;
- Make certain that any recommendations or concerns from reviews are met or addressed in a timely manner;
- In the event of a "Red" or "Amber-Red" review or "Amber" quarterly GMPP review rating, you should ensure that the Permanent Secretary has been made aware of the situation and briefed accordingly.

Manage formal Programme closure

- Formally close the Programme and ensure that lessons learned are documented with the final evaluation report and disseminated to stakeholders;
- Ensure that plans are in place for a post implementation review and that these have been agreed with the relevant stakeholders;
- Ensure a plan for both long term benefits realisation and on-going sustainability is agreed with key stakeholders as part of the process of moving to business as usual.