



Paul Chinn  
Cabinet Office

BY EMAIL

15 April 2015

Dear Paul,

**Appointment as Senior Responsible Owner (SRO) for Next Generation Shared Services Programme (to include the Independent Shared Service Centre 1 Project (ISSC1) and Independent Shared Service Centre 2 Project (ISSC2))**

We are writing to confirm your appointment as Senior Responsible Owner (SRO) of the Next Generation Shared Services Programme with effect from 1 April 2015, directly accountable to Ed Welsh, Executive Director, Transformation, Efficiency and Reform Group, Cabinet Office, and the NGSS Programme Board, under the oversight of the Minister for the Cabinet Office. This is a full time role.

As SRO you have personal responsibility for delivery of both Independent Shared Service Centre Projects (ISSC1 and ISSC2) and will be held accountable for the delivery of their objectives and policy intent, for ensuring responsible governance and transparent progress reporting, and for influencing constructively the context, culture and operating environment of the projects.

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 projects (or specific milestones). In your case this means that from the date of signature of this letter you will be held personally accountable and could be called by Select Committees for delivery of Next Generation Shared Services.

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.

Detailed SRO roles and responsibilities are attached at Annex 1. You should follow the guidance in that document. You should also make sure you understand the guidance [Giving Evidence to Select Committees – Guidance for Civil Servants](#) .

You should also make yourself aware of the Major Projects Authority (MPA) guidance on management of major projects:

<https://www.gov.uk/government/policy-teams/major-projects-authority>

## **Tenure of position**

The NGSS Programme requires a full-time SRO at least until the transition of the last Departments into ISSC1 and ISSC2 (planned for April 2016, but currently subject to review). You are undertaking this role on an interim basis and your position will be reviewed in July 2015.

## **Objectives and Performance Criteria**

The policy intent for the Next Generation Shared Services Programme is to achieve quality and cost improvements in finance, payroll and human resources services. The Next Generation Shared Services Strategy published in December 2012 outlined the overall approach. The Crown Oversight Function (COF) was established in Cabinet Office to ensure the original benefits case is achieved. This includes supporting the transfer of central departments' HR and financial transactional services into two Independent Shared Service Centres (ISSCs) provided by arvarto (ISSC1) and SSCL (ISSC2).

Proposed changes to the project scope which impact on this intent or benefits realisation must be authorised by the NGSS Programme Board and may be subject to a further levels of approval.

The objectives and vision of the projects are to support the transfer of a number of central departments' HR and financial transactional services into the two Independent Shared Service Centres including, for ISSC1: Department for Transport; Driver and Vehicle Standards Agency; Civil Nuclear Constabulary; HM Treasury; Department for Culture, Media and Sport; and, Department for Communities and Local Government. For ISSC2, the Departments currently in scope are: Department for Work and Pensions; Ministry of Justice; Home Office; Department for Environment, Food and Rural Affairs; Environment Agency; Department for Education; Health and Safety Executive, Office of Nuclear Regulation; Cabinet Office; and, Department for Business, Innovation and Skills. The last of these transfers is currently planned for April 2016, although the timetable is currently under review for both ISSCs.

The overall responsibilities also include:

- Ensuring the framework contracts are managed effectively so that the supplier and customers deliver against their contractual obligations;
- Monitoring the performance of the suppliers against the overall Framework, SLAs and KPIs;
- Ensuring that partnership and collaborative working is embedded in day to day relationships between suppliers and Customers and acting as the conciliator in the event of disputes;
- Providing assurance for both BAU and transformation activities;
- Overseeing the commercial relationships between customers and suppliers;
- Monitoring and assuring delivery of the benefits cases.

## **Extent and limit of accountability**

### **(1) Finance and Controls**

HMT spending controls will apply on the basis set out within your department's delegated authority letter. Where the project 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 your HMT spending team. You should consult departmental finance colleagues on how to go about this.

You should also note 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 programme expenditure exceeds the delegated authority set by HMT. If in doubt about whether approval is required you should, in the first instance, consult departmental finance colleagues before raising with the relevant HMT spending team.

The overall budget for Next Generation Shared Services is currently being agreed for 2015/16 onwards.

You should operate at all times within the rules set out in Managing public money. In addition, you must be mindful of, and act in accordance with, the specific Treasury delegated limits and [Cabinet Office controls](#) relevant to the Programme.

### **(2) Delegated departmental/project authority**

- The level at which you are authorised to approve expenditure will be agreed as part of the overall budget agreement
- You are authorised to agree project rescheduling within an appropriate period of existing milestones, where those milestones are not subject to the contractual rectification process, but rescheduling beyond that must be agreed with Executive Director for Transformation, Cabinet Office, and the ISSC1 and ISSC2 Contract and Operations Boards
- You are also responsible for recommending to the Executive Director for Transformation, Cabinet Office, and the NGSS Programme Board the need to pause or terminate either ISSC project where necessary and in a timely manner.

Where issues arise which you are unable to resolve, you are responsible for escalating these issues to the Executive Director for Transformation, Cabinet Office, and the NGSS Programme Board.

## **Project Status**

The Project Status at the date of your appointment is reflected in the most recent quarterly return on the programme to the Major Projects Authority. This is the agreed position as you assume formal ownership of the programme, and both constituent projects.

**Major Projects Leadership Academy (MPLA)**

As an interim SRO of a GMPP project, you will not be required to enrol on the MPLA, nor become an accredited Major Project reviewer.

We would like to take this opportunity to wish you success in your role as SRO.

Yours sincerely,

John Manzoni

Handwritten signature of John Manzoni in black ink, written over a horizontal line.

David Blackall

Handwritten signature of David Blackall in black ink.

CHIEF EXECUTIVE OF THE CIVIL SERVICE  
EXECUTIVE

Cabinet Office

ACTING CHIEF

Major Projects Authority

I confirm that I accept the appointment including my personal accountability for implementation of the project as detailed in the letter above.

Name of SRO: Paul Chinn

Handwritten signature of Paul Chinn in black ink.

Date: 15 April 2015

## **SRO Role and Responsibilities**

### **Annex 1**

#### **The Role of the Senior Responsible Owner (SRO)**

You are personally accountable for ensuring the on-going delivery of Independent Shared Service Centre 1 Project (ISSC1). You are responsible for securing the resources necessary for the success of the project and for ensuring that the related implementation and transition activities realise the agreed objectives and benefits. 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 project management arrangements and maintain them 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 19).

An SRO will:

- Be a visible, engaged and active project leader, not a figurehead;
- Deliver the agreed outcomes and benefits;
- 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 Project 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 that the project is set up for success

- Ensure that the project is set-up to make an unambiguous and demonstrable link to strategic policy;
- Translate this policy intent into clear deliverables which are established and agreed with senior stakeholders;
- Carry out a robust and commercially viable options appraisal, which balances risk with opportunity, as part of initial project feasibility;
- Establish a firm business case for the project during the initiation/definition phase and ensure that any planned change 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 project governance;

- Build strong and effective relationships with key stakeholders, justifying their trust and retaining their confidence, and obtain their commitment to benefits realisation.

#### Ensure that the project meets its objectives and delivers the projected benefits

- Gain agreement to the project objectives and benefits amongst stakeholders, including Ministers where appropriate;
- Understand the broader government perspective and its impact on the project;
- Ensure the strategic fit of the project objectives and benefits;
- Agree a clear and simple approach to performance management and monitor delivery of the objectives and benefits, taking appropriate action where necessary to ensure their successful delivery.

#### Develop the project organisation structure and plan

- Ensure that there is a coherent organisation structure and appropriately detailed project 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 Project 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, risks and issues;
- Ensure that any changes to agreed project benefits are flagged appropriately within project governance and that the business case is updated accordingly (throughout project life-cycle);
- Ensure that the integrity of the project is maintained and speak truth to power – including to Parliamentary Select Committees;
- Communicate effectively with senior stakeholders regarding project progress and provide clear, appropriate and delivery-focused decisions and advice to the Project 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 the project team and its stakeholders and sponsors;
- Ensure that 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 project or programme is subject to review at appropriate stages

- Recognise the value of robust project review and ensure it occurs at key points in the project 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 a red or amber-red quarterly GMPP review rating, ensure that the Permanent Secretary has been made aware of the situation and has been briefed accordingly.

#### Manage formal project closure

- Formally close the project or programme and ensure that the lessons learned are documented within the final evaluation report and disseminated to key stakeholders;
- Ensure that the post implementation review takes place and that the output is communicated to the appropriate 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 the project to “business as usual”.