



Department
for Work &
Pensions



Cabinet Office

To: Mary Pattison, Senior Responsible Owner
for the New State Pension Project

Date: 24 March 2015

From: Robert Devereux, Permanent Secretary, Department for Work and Pensions

David Blackall, Acting Chief Executive, Major Projects Authority

Appointment as Senior Responsible Owner for the New State Pension Project

We are writing to formalise your appointment as the Senior Responsible Owner for the New State Pension Project, with effect from 1 September 2014. You will be directly accountable to the DWP Accounting Officer, under the oversight of the Minister for Pensions. This will be a part time role.

As SRO you are personally responsible for delivering the project. You will be held accountable for delivering its objectives 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 project.

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, decisions and actions you have taken to deliver the project or specific milestones within the delivery plan. This means that from the date of the signature of this letter you will be held personally accountable for the delivery of the New State Pension Project and could be called by Select Committees to provide evidence to account for and explain the decisions you have taken.

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 guidance on SRO roles and responsibilities is attached at Annex 1. 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 MPA guidance on the management of major projects².

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>

Project Status

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

Tenure of Position

You will be expected to remain within this role until the end of the project, which is planned for October 2016.

Objectives and Performance Criteria

The Project will deliver the reforms to State Pension included in the Pensions Act 2014.

These reforms are designed to give greater clarity about the State Pension someone can expect to receive from the Government, address some inequalities in the current system and provide a firm foundation for saving for retirement for people reaching State Pension age from 6 April 2016.

Changes include removing the complexities of the current system by moving to a single state pension set above the level of the basic means tested benefit. This, together with abolition of the Savings Credit, will provide today's savers with greater clarity about what they will receive from the State. It also reduces the number of people reliant on the basic means test. The Department is also abolishing contracting out from defined benefit pension schemes. To ensure fairness the calculation of new State Pension will recognise pre 2016 National Insurance records.

The Department leads the Project, working closely with HMRC to deliver the necessary changes to systems and processes.

The Project will ensure staff in both the Department and HMRC are equipped to deliver the reform and that the changes are communicated to current and future pensioners, employers, trustees and scheme providers at the appropriate time.

Proposed changes to the project scope which impact on this intent or benefits realisation must be authorised by the Accounting Officer, who may delegate his decision-making authority to DWP's Portfolio Management Committee, and may be subject to further levels of approval. You are also responsible for recommending to the Accounting Officer the need to either pause or terminate the project, where necessary and in a timely manner.

Extent and Limit of Accountability

The whole life cost budget for this project is as per the latest approved business case.

Her Majesty's Treasury spending controls will apply, as set out within the Accounting Officer's letter of delegated authority. Where the NSP 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 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.

You should ensure that you operate at all times within the rules set out in Managing Public Money³.

In addition you must be mindful of and act in accordance with the specific Treasury Delegated limits and Cabinet Office controls relevant to projects⁴.

Major Projects Leadership Academy

As the SRO of a Government Major Projects Portfolio project, you are required to attend the Major Projects Leadership Academy, which we understand you are currently undertaking as part of Cohort 11.

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 MPA reviewer and as such will be expected to lead or participate in such 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 success in your role as SRO for the New State Pension Project.

Yours sincerely,

Robert Devereux
Permanent Secretary

David Blackall
Acting Chief Executive

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>

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

Name of SRO: Mary Pattison

Signature of SRO: Signed and returned by Mary Pattison on 24 March 2015

Senior Responsible Owner Role and Accountabilities

The role of the SRO

You are personally accountable for ensuring the on-going delivery of the New State Pension project. You are responsible for ensuring that the related implementation and transition activities will deliver the agreed objectives and benefits. You will be personally accountable to the 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 through the life of the project. 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 project leader, not a figurehead;
- Ensure that the agreed outcomes and 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 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 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 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/project feasibility;
- Establish a firm business case for the project 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 project 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 project meets its objectives and that the projected benefits are deliverable

- 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's objectives and benefits, taking appropriate action where necessary to ensure their successful delivery.

Develop the project organisation 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, risk 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 the 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 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 project 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 “amber” quarterly GMPP review rating, you should ensure that the Permanent Secretary has been made aware of the situation and briefed accordingly.

Manage formal project closure

- Formally close the project or 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.