



Department
for Transport

From the Permanent Secretary

Department for Transport
33 Horseferry Road
London
SW1P 4DR



Infrastructure
and Projects
Authority

From the Chief Executive

Infrastructure and Projects Authority
1 Horse Guards Road
London
SW1A 2HQ

28 April 2021

To: Russ MacMillan

Appointment as Senior Responsible Owner (SRO) for the Transpennine Route Upgrade Programme

We are pleased to confirm your appointment as Senior Responsible Owner (SRO) of the Transpennine Route Upgrade Programme (TRU) with effect from 1 June 2020 directly accountable to the Permanent Secretary and the Department for Transport Board, under the oversight of the Secretary of State for Transport. This will be a part time role, which requires a 50% proportion of your time. This will be combined with your wider management and leadership responsibilities within the Department and other responsibilities as SRO of the North Western Electrification Programme.

Regular conversations with your Permanent Secretary and Directors General will take place to ensure an appropriate balance is maintained across your portfolio of activities and that you receive support as needed to carry out your responsibilities. This will take place as a minimum annually, but may be more frequently with agreement.

As SRO you have responsibility for delivery of TRU and securing appropriate resources to manage these activities, either internally or from delivery partners including Network Rail and Train Operating Companies. This includes:

- Setting objectives and policy intent;
- Securing and protecting its vision;
- Ensuring that it is governed responsibly, reported honestly, escalated appropriately;
- Identifying and managing risks and issues, as well as coordinating prevention and mitigation where appropriate;
- Leading on resolving integration issues that interact with TRU;
- Identification, quantification and management of the agreed programme benefits, as well as successful delivery of any benefits due to be realised during the life of the project. You will also ensure that a plan, with appropriate budget and resources, for the ongoing management and realisation of benefits is in place for after project closure; and
- Ensuring a plan is in place for the closure of the project at the appropriate time. This should include transfer of Business As Usual activities to DfT Passenger Services, Network Rail and Train Operating Companies and capture and dissemination of appropriate lessons.

Like all civil servants, you remain accountable to Ministers, as set out in the Civil Service Code, and should deliver the project in accordance with the objectives and policy intent as set by Ministers.

Where you are asked to undertake a course of action by Ministers which is contrary to your own or others' professional advice and puts outcomes or value for money at risk, you should – if you judge it necessary – discuss with the principal accounting officer what escalation is appropriate. In circumstances where the action may be inconsistent with [Managing Public Money \(MPM\)](#), this may include consideration of whether Ministerial direction is required.

In addition to your internal responsibilities, you should also be aware that SROs are accountable to Parliamentary Select Committees. More information on this is set out in [Giving Evidence to Select Committees – Guidance for Civil Servants](#), sometimes known as the Osmotherly Rules. It is important to be clear that your accountability to Parliament relates only to implementation, within the terms agreed in this letter. It will remain for the Minister to account for the relevant policy decisions and development.

Detailed SRO roles, responsibilities and guidance are listed under **Annex A**.

Tenure of Position

We expect you to undertake this role at least until achievement of approval for a revised Outline Business Case, planned for 2021.

It is important that you support your Directors General in the development of a succession plan at the appropriate time.

Objectives and Success Criteria of TRU

The TRU programme will deliver a step-change increase in infrastructure capability on the Manchester-Leeds-York railway to improve its reliability, and to level up experience and opportunity for a growing population. Passengers will be able to rely on the railway to help them reach more employment and social opportunities and connect widely, with direct trains to cities across the north.

TRU aims to improve the capacity of the route by 25% and improve route performance by reducing infrastructure related delays very significantly. It also aims to reduce Manchester-Leeds and Manchester-York journey times by between 5 and 10 minutes, and to reduce environmental impact including from greenhouse gases, poor air quality and road congestion, including through the introduction of significantly more overhead electrification. TRU will lay strong foundations for Northern Powerhouse Rail schemes that will follow from the 2030s, providing a vital legacy role for local services and freight.

It is recognised that realisation of TRU benefits is dependent on delivery from other parts of government and delivery partners, particularly DfT passenger services and Network Rail.

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

As SRO, you are expected to run your project in accordance with the [Government Functional Standard for Project Delivery](#).

Financial Accountability

Finance and Controls

HMT spending controls will apply on the basis set out within your department's delegated authority letter. Where the 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 your HMT spending team.

Further information on finance and controls is provided under **Annex B**.

The overall budget for the projects is £3.756bn, excluding VAT. However, this doesn't mean that this full amount has been authorised (described as remitted within RNEP) for expenditure by the SRO, consistent with the Department's incremental approach to funding rail enhancements.

The current approved expenditure figure is £616m, which was secured following OBC submission to the Major Projects Review Group in May 2020. You should be aware of the MPRG and HMT conditions of this funding. Further business case submissions will be required to release further funding for delivery of the programme.

Delegated Departmental/Project Authority

- Your authorised expenditure is set out in your delegation letter.
- For FY20/21 this includes a dedicated DfT headcount of 16FTE, plus a £1m consultancy budget.
- You are authorised to agree project rescheduling, provided you are satisfied that the expenditure can be accommodated under the annual expenditure limit, as agreed with Treasury for Control Period 6, in which the rescheduled expenditure would now fall. Rescheduling beyond this must be agreed with DfT's Investment, Portfolio and Delivery Committee (IPDC) and may, depending on circumstances, require wider cross-government agreement.
- Where issues arise which you are unable to resolve, you are responsible for escalating these issues to the appropriate DfT board.
- You are also responsible for recommending to IPDC the need to either pause or terminate the programme where necessary and in a timely manner. Again, this may require in certain cases wider cross-government agreement.

Professional Development and Wider Support

It is important that you have the appropriate professional skills and are committed to your own CPD (continuing professional development). This includes maintaining and sharing your knowledge and experience with your own and other project teams.

As a graduate of the Major Projects Leadership Academy (MPLA), we expect and will support you to continue your on-going professional development, and will encourage you to take an active part in MPLA alumni activities.

There will be wider support available to help you discharge your responsibilities as an SRO. This includes, but is not limited to the following:

- Advice and support from DfT's Project Delivery and Portfolio directorate;
- Access to the various subject matter experts across DfT's Centres of Excellence;
- Being part of a shared community of project delivery professionals across DfT (including being a member of an SRO network comprised of peers and taking part in/supporting key learning activities); and
- Access to the benefits of professional project delivery networks.

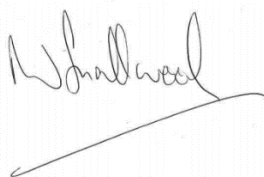
There will also be cross-government specialist support provided by the Infrastructure and Projects Authority (IPA) to further help support you and your team.

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

Yours sincerely,

A handwritten signature in black ink that reads "Bernadette Kelly". The signature is written in a cursive style with a long, sweeping tail on the letter 'y'.

Bernadette Kelly
Permanent Secretary
Department for Transport

A handwritten signature in black ink that reads "Nick Smallwood". The signature is written in a cursive style with a long, sweeping tail on the letter 'd'.

Nick Smallwood
Chief Executive Officer
Infrastructure and Projects Authority

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

A handwritten signature in blue ink that reads "Russ MacMillan". The signature is written in a cursive style with a long, sweeping tail on the letter 'n'.

Russ MacMillan
Senior Responsible Owner
Transpennine Route Upgrade

Annex A – Guidance Documentation

- [Giving Evidence to Select Committees – Guidance for Civil Servants](#)
- [The Role of the Senior Responsible Owner](#)
- [Project Delivery Functional Standard](#)
- [A Handbook for Leaders of Transformation Programmes](#)

Annex B – Additional Finance and Controls

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.

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 your project or programme. Information on these controls can be found here: [Cabinet Office controls](#).