



Tamara Finkelstein
Permanent Secretary Defra
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Nick Smallwood Chief Executive Infrastructure and Projects Authority 1 Horse Guards Road London SW1A 2HQ

Date: 4 June 2021

David Kennedy, Senior Responsible Owner (SRO) for the Future Farming and Countryside Programme

Dear David.

Further to our discussion we are writing to confirm your appointment as Senior Responsible Owner (SRO) of the Future Farming and Countryside Programme with effect from 28 August 2019, directly accountable to the Permanent Secretary under the oversight of Her Majesty's Secretary of State.

This will be a part time role which requires 40 to 50% of your time per month depending on the requirements of the programme at particular times.

As SRO you have personal responsibility for delivery of the Future Farming and Countryside Programme and will be held accountable for the delivery of 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.

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

In addition to your internal accountabilities, SROs are 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). In your case this means that from the date of appointment as SRO you will be held personally accountable and could be called by Select Committees to account for delivery of the Future Farming and Countryside Programme

More information on this is set out in <u>Giving Evidence to Select Committees – Guidance for Civil Servants</u>, sometimes known as the Osmotherly Rules. Detailed SRO roles and responsibilities are detailed in the IPA's guidance on <u>the role of the Senior Responsible Owner</u>. 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.

Tenure of position

You are required to undertake this role for as long as you hold the post of Director General for Food, Farming and Biosecurity, or until achievement of Programme closure, planned for 2028. Progress towards this will be reflected in your personal objectives.

Objectives and performance criteria

The policy intent supported by this programme has been established in Defra to progress the design and implementation of agricultural arrangements for England following the departure from the EU as the UK will no longer be part of the Common Agricultural Policy (CAP) as et out in the FFCP Strategic Outline Business Case (SOBC).

Proposed changes to the business case scope which materially impact on this intent or benefits realisation must be authorised by Investment Committee and may be subject to a further levels of approval.

The objectives and vision of the project are:

The Programme is defining and setting up successor arrangements to the CAP, based on the principle of provision of public money for public goods. The Programme aims to fully transition to new arrangements over the period to 2028. Changes will start to come into effect starting in 2021 with the Environmental Land Management National Pilot of a new Environmental Land Management System (ELM), new grants payment schemes, and reductions to direct payments as the first step to removing them altogether.

Your personal objectives and performance criteria are:

- 1. Deliver the objectives and policy intent of this programme.
- 2. Provide overall leadership, decision making and strategic direction. Ensure the strategic direction remains aligned with any changes in political or business priorities.
- 3. Agree and own the programme vision and success criteria with the Programme Director(s) who you will appoint, advise, coach and provide strategic direction.

- 4. Establish an appropriate Governance structure, appoint a qualified Board to deliver the Programme and Chair the Board.
- 5. Maintain positive engagement with all stakeholders and the Ministerial team to support activities linked to programme delivery, including HMT, IPA and the Cabinet Office.
- 6. Own the business case, assure on-going viability, and ensure benefits tracking processes are established. Refer any significant concerns about feasibility, value for money, regularity or propriety to myself as AO.

As SRO, you are expected to run your project in accordance with the <u>Government</u> <u>Functional Standard for Project Delivery</u>. Further detail on your role and responsibilities as SRO are set out <u>in IPA guidance on the role of the senior responsible owner</u>, and you are expected to follow that guidance, and other IPA guidance on the management of major projects

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 and approval of the Programme SOBC. Where the Future Farming and Countryside 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. 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 current approved expenditure figure is £2,646,685,696, which provides cover to 31 March 2022. Budgets for all years following 2021 to 2022 will be determined at future Spending Reviews and are subject to change from the present central assumption. The overall estimated budget as set in the Strategic Programme Business Case is £24,630,000,000, excluding VAT. Future approved expenditure will be set as part of the department's financial control and governance processes.

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 Future Farming and Countryside Programme Information on these controls can be found here: Cabinet Office controls.

(2) Delegated departmental and project authority

- you are authorised to approve expenditure of £92,670,873
- you are authorised to agree project rescheduling within the funded phase 1
 planning envelope of agreed milestones but rescheduling beyond that must be
 agreed with Investment Committee.
- you are also responsible for recommending to Investment Committee and HMT the need to either pause or terminate the programme 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 Permanent Secretary.

Project Status

The Programme Status is Amber following the IPA Review in August 2020.

Major Projects Leadership Academy (MPLA)

As SRO of a GMPP project, you will be required to enrol on the MPLA. You will be contacted shortly by a member of the IPA Leadership and Capabilities team to discuss this.

To widen experience and understanding of the role, SROs are expected to become accredited Major Project reviewers and to lead or participate in such reviews for other Government departments, the wider public sector or other areas of DEFRA 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.

Yours sincerely,

Permanent Secretary

Department for Environment, Food, and Rural Affairs

Tamara finklisten



Chief Executive Officer

Infrastructure and Projects Authority

Confirmation of acceptance of appointment

I confirm that I accept the appointment as Senior Responsible Officer for the Future Farming and Countryside Programme including my personal accountability for implementation of the programme, as set out in the letter above.

Name of SRO:

David Kennedy

Signature of SRO:

Date: 3 June 2021