



**National Savings & Investments**

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To: Matt Smith

**BY EMAIL**

Dear Matt,

**Appointment as Senior Responsible Owner (SRO) for the Rainbow Programme**

We are writing to confirm your appointment as Senior Responsible Owner (SRO) of the Rainbow Programme with effect from 5th October 2020. You will be directly accountable to Ian Ackerley, NS&I's Accounting Officer under the oversight of Tom Scholar, Permanent Secretary to the Treasury and John Glen, Economic Secretary to the Treasury.

You will carry out this role alongside your other responsibilities as NS&I Chief Operating Officer (COO) and must ensure that you allocate 30% of your time to enable the effective delivery of the role and responsibilities, as set out in Annex A. This percentage of time will be periodically reviewed to ensure that an appropriate balance is maintained across your portfolio of activities.

As SRO, you have personal responsibility for delivery of the Rainbow Programme and will be held accountable for the delivery of its objectives, policy intent and realisation of agreed benefits; for securing and protecting the programme's vision, 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 accountability to me as the Accounting Officer, 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 programme (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 the Rainbow Programme.

The role and responsibilities of an SRO are attached in Annex A. 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 "at

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/364600/Osmothe](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/364600/Osmothe)

[rly Rules October 2014.pdf](#) 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>).

The NS&I Enterprise Programme Office (EPO) can also provide clarification on the guidance and IPA requirements.

### **Tenure of position**

Unless otherwise agreed, you are expected to undertake this role until achievement of the Rainbow Programme's Future Operating Model Delivered milestone, planned for Q3 2025. Progress towards this will be reflected in your personal objectives.

As it is vital to ensure the appropriate succession planning is undertaken, you should agree a succession plan with the NS&I Board.

### **Objectives and performance criteria**

NS&I's purpose is to create value through cost-effective financing, provide services to Government and to help Government deliver policy objectives. We want to inspire a stronger savings culture and we believe everyone should have the opportunity to save confidently.

The vision of the Rainbow Programme is to: "Deliver the NS&I of the Future" with three key aims that the programme will be defined on. The aims of the Rainbow programme are to:

- Measurably reduce the costs of running the business
- Become a self-service digital business with support for the vulnerable and excluded
- Deliver more nimbly, reduce risk and enhance scalability

The investment objectives of the Rainbow Programme are to:

- Ensure that costs related to developing new products, change and manage existing products and wider transformation activities reduce over time
- To design a commercially sustainable delivery model which can be put in place before the expiry of the current contract (2024) and drive a more effective future supplier arrangement
- Deliver propositions that will meet our customers' needs and be digital first
- Create the ability to attract and retain new customers through a better understanding of the end customer
- Use technology to improve accessibility and flexibility for users, whilst ensuring that no one is excluded
- Secure continuity of service for our customers over the long term, ensuring that cyber security risks are managed and promptly addressed
- Minimise any disruptions over the course of the transition
- Make NS&I more flexible and able to adapt quickly and cost-effectively to HMT, to our customers, the competitive landscape, and the regulatory environment.

Your personal objectives and performance criteria should reflect the aims and objectives of the Rainbow Programme, and will be subject to annual review by the Appointments and Remunerations Committee.

As SRO, you are expected to run your project in accordance with the [Government Functional Standard for Project Delivery](#). Further detail on your role and responsibilities as SRO are set out [in IPA guidance on the role of the senior responsible owner](#), 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

You must ensure that the programme secures business case approval from NS&I's Accounting Officer, NS&I Executive Committee (ExCo), NS&I Board, Cabinet Office and HM Treasury. You need to ensure that the programme delivers the strategic outcomes approved in the business case, along with managing the costs and realising the benefits in line with the approved business case.

You should satisfy yourself that you understand and work within your delegated levels of authority and that you do not exceed these without prior written approval through the Accounting Officer via ExCo. You should also ensure that resource requirements for the programme are clearly defined and secured for each stage.

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, approval from Her Majesty's Treasury (HMT) 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 consult the relevant HMT spending team.

As SRO, you are expected to be able to provide evidence that relevant, auditable documentation exists in line with departmental expectations for projects and programmes and there are milestones for delivery that inform decisions linked to key programme events. You should pay attention to ensuring effective governance for your programme including establishment of a programme board with appropriate membership and clear Terms of Responsibilities for the board.

You should ensure that assurance and programme management arrangements are established and maintained 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 Infrastructure & Projects Authority (IPA) and the NS&I Enterprise Programme Office (EPO).

You should monitor programme status, forecast timescales, costs and benefits, key risks and dependencies and report issues (including any likelihood of exceeding approved tolerances) openly and transparently. The Accounting Officer and ExCo will represent NS&I's/ HMT's interest in both supporting delivery and holding you to account as SRO. You are responsible for providing reports to the EPO as required, and for submitting business cases and reports to the relevant boards. Where appropriate, governance will include reference to ExCo and/or the NS&I Board.

You should operate at all times within the rules set out in Managing Public Money (<https://www.gov.uk/government/publications/managing-public-money>). In addition, you must be mindful of, and act in accordance with, the specific HMT delegated limits and Cabinet Office controls relevant to the Rainbow Programme (<https://www.gov.uk/government/collections/cabinet-office-controls>).

## (2) Delegated Programme Authority

- You are authorised to approve expenditure each year in accordance with the profile agreed with HM Treasury, the Accounting Officer and ExCo.
- You are authorised to agree project rescheduling within tolerances agreed with the Accounting Officer and ExCo. Rescheduling beyond that must be agreed with the Accounting Officer and ExCo.
- You are also responsible, where necessary, for recommending the need to pause or terminate the programme. Where issues arise which you are unable to resolve you are responsible for escalating these issues to the Accounting Officer and ExCo.

## **Project status**

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

### Development and support

As a delegate of the Major Projects Leadership Academy (MPLA), we both 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. NS&I will assist you in securing the necessary resources to support the Programme, and will set clear standards to enable good governance and effective delivery. You will be part of the Department’s cohort of major project leaders, who support each other to share good practice, learn lessons and collectively develop solutions.

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 and the wider public sector. You will be required to participate in such reviews at least once every 12 months to maintain your accreditation.

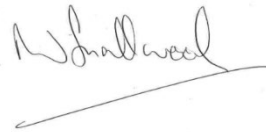
Following approval of the Business Case, NS&I’s Accounting Officer and ExCo will provide ongoing oversight and support, and will take steps to help resolve any escalated risks, issues or constraints that are acting as an impediment to successful delivery.

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

Yours sincerely,



Chief Executive  
National Savings & Investments



Chief Executive  
Infrastructure Projects Authority

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

Name of SRO: Matt Smith

Signature of SRO:



Date: 06.07.21

## **SRO Role and Responsibilities**

### **Annex A**

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

You are personally accountable for ensuring the ongoing delivery of the Rainbow Programme. 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 relating to Major Project governance, assurance and control.

#### **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