

PERMANENT SECRETARY

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11 May 2022

Richard Berthon

Senior Responsible Owner for the Future Combat Air System Acquisition Programme

Sent electronically

APPOINTMENT AS SENIOR RESPONSIBLE OWNER FOR THE FUTURE COMBAT AIR SYSTEM ACQUISITION PROGRAMME

Dear Richard,

We are writing to confirm your appointment as Senior Responsible Owner of the Future Combat Air System Acquisition Programme. This letter sets out your responsibilities and the support you can expect from your department and the Infrastructure and Projects Authority.

As Senior Responsible Owner, you are directly accountable to me as the Accounting Officer for Ministry of Defence, for the delivery of the Programme and its benefits

Your programme forms part of the Defence Major Programmes Portfolio that is overseen by Director General Finance, the Chair of the Defence Major Programmes Portfolio Sponsor Group (with the Vice-Chief of the Defence Staff, the Deputy Chief of the Defence Staff (Military Capability), Chief Operating Officer, and supported by the Defence Portfolio and Approvals Secretariat) and is included in the Government Major Projects Portfolio, referring matters to the Defence Board or Permanent Secretary as necessary.

It is recognised that you have been acting as interim Senior Responsible Owner since the Future Combat Air System Acquisition Programme joined the Government Major Projects Portfolio in June 2021 and have therefore been accountable for all the decisions made since that date.

You have personal responsibility for the delivery of the Programme and are to ensure its ongoing viability and delivery.

You will be held accountable for the delivery of its objectives, with policy intent and outcomes expected. This encompasses securing and protecting its vision, ensuring that it is governed responsibly, reported on honestly, escalated appropriately and for influencing the context, culture, and operating environment of the programme. You are also responsible for ensuring the ongoing viability of the programme and recommending its pause or termination if appropriate. You have full

responsibility for the workforce resources for delivering planned benefits and outputs to Initial and Full Operating Capability. Where issues arise which you are unable to resolve, you are responsible for escalating these to the Defence Major Programmes Portfolio Sponsor Group and Ministers if appropriate.

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, Senior Responsible Owners for Government Major Project Portfolio projects and programmes are personally accountable to Parliamentary Select Committees. This means that from now you will be held personally accountable to and could be called by Select Committees to account for and explain the decisions and actions you have taken to deliver the programme.

It is important to be clear that your accountability relates only to implementation, within the agreed terms in this letter; it will remain for the Minister to account for the relevant policy decisions and development.

More information on this is set out in [Giving Evidence to Select Committees - Guidance for Civil Servants](#), sometimes known as the Osmotherly Rules. Information on the roles and responsibilities of the Senior Responsible Owner are detailed in the Infrastructure and Project Authority's guidance on [the role of the senior responsible owner](#). You should also make yourself familiar with the [Government Functional Standard for Project Delivery](#), the requirements of the Government Project Delivery Framework, and the guidance and requirements for project delivery as set by the Project Delivery Centre of Excellence.

Time commitment and tenure

It is understood that as the full time Senior Responsible Owner for the Future Combat Air System you are dividing your responsibilities between three activity lines with 45% being allocated to the Acquisition Programme and the remainder being apportioned to the Future Combat Air System Technology Initiative (part of the Defence Major Programmes Portfolio) and the Future Combat Air Strategy itself. As you are being supported by a Programme Director, Manager and Management Office I am satisfied that adequate arrangements are in place to ensure you are able to deliver against the responsibilities of Senior Responsible Owner for this programme.

Objectives and performance criteria

The policy intent supported by the Programme is to support military commanders in making informed and timely decisions enabled by agile Communication Information Systems.

- Future Combat Air System Acquisition Programme will deliver the capability to undertake Control of the Air roles, and contribute to Attack and Information, Surveillance and

Reconnaissance in order to replace the capability currently provided by Typhoon (which will begin to retire from service from the mid-2030's).

- Military advantage in Combat Air will require a System of highly adaptable and networked capabilities, based on an underpinning digital and data architecture. The System will comprise combinations of highly networked aircraft (initially crewed), un-crewed adjuncts and weapons, and will allow freedom of modification and rapid technology insertion.

The specific details of the Programme are contained in the Programme Mandate, and any subsequently approved Business Cases, along with key programme milestones contained within your Integrated Assurance and Approval Plan. However, you are expected to achieve the following personal milestones during your tenure:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- Outline Business Case – October 2024

Any proposed changes to scope which impacts on this intent or the realisation of benefits must be authorised by the Investment Approvals Committee and may be subject to further levels of approval.

You are expected to run your project in accordance with the [Government Functional Standard for Project Delivery](#), the other [Functional Standards](#) as applicable to this programme and the requirements of the Government Project Delivery Framework.

Extent and limit of accountability

Finance and Controls

HM Treasury spending controls will apply on the basis set out within the department's delegated authority letter. Where the programme exceeds the delegated authority set by HM Treasury, the Treasury Approval Point process will apply, and the details of each approval process must be agreed with your HM Treasury spending team. You should consult departmental finance colleagues on how to go about this.

You should note that where expenditure is considered novel, contentious, repercussive, or likely to result in costs to other parts of the public sector, HM Treasury approval will be required, regardless of whether the programme expenditure exceeds the delegated authority set by HM Treasury. If in doubt about whether approval is required you should, in the first instance, consult departmental finance colleagues before raising with the relevant HM Treasury spending team.

You will be expected to deliver within the tolerances for your programme as agreed in your latest approval milestone and report quarterly on these as part of Government Major Projects Portfolio reporting.

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 HM Treasury delegated limits and Cabinet Office controls relevant to the Programme. Information on these controls can be found here: [Cabinet Office controls](#).

Delegated authority

You are to ensure the on-going viability of the programme. In doing so you are to champion the programme to secure the resources necessary to run the programme and for the related transition activities required in realising the intended benefits. Where you have formal financial delegated authority (governed in MOD through separate mechanisms to Senior Responsible Owner appointment), you are responsible for strict adherence to the terms of your delegated authority.

You are responsible for submitting business cases and reports as appropriate to the Air Investment Committee and the Defence Investment Approvals Committee. In doing so, you will monitor the programme's status, its forecast timescales, costs and benefits, and key risks and dependencies. You are to report issues (including any likelihood of exceeding approved tolerances) openly and transparently.

Appointments

I note you have a full-time Programme Director and a full-time Programme Manager in place to support you in the management of this programme. You should make other appointments as required for the control and delivery of your programme within your delegated authority.

Governance and assurance

You should pay attention to ensuring effective governance for your programme, including the establishment of a programme board with appropriate membership and clear terms of reference.

As primary owner, you must ensure that the programme secures business case approval from the Investment Approvals Committee and HM Treasury when appropriate. You should also ensure that the programme remains aligned to the strategic outcomes, costs, timescales, and benefits in line with the approved business case as well as monitoring the context within which the programme is being delivered to ensure it remains valid.

Where a change impacts the scope, costs, benefits, or planned delivery milestones agreed as part of an agreed business case, you are responsible for following the agreed change request approval process and setting a new, approved, business case baseline.

You should ensure that an Accounting Officer Assessment is completed alongside any major changes to your programme that diverge from the Programme Mandate and that this is published on GOV.UK as part of the government's transparency requirements on major projects. You are responsible for bringing to the attention of the Accounting Officer any material changes in the programme which could require a new Accounting Officer Assessment to be completed and published. [Guidance on completing accounting officer assessments](#) for major projects is available from HM Treasury.

Although you are directly accountable for this programme, you are also expected to support delivery of the department's overall strategic objectives. This means that you are expected to work collaboratively with other Senior Responsible Owners and project directors in adjacent projects and programmes and with the Air Portfolio Management Office and Portfolio Director to manage dependencies, resources, schedules, and funding to support delivery of the overall change the department needs to achieve its strategic objectives.

You should ensure that appropriate and proportionate assurance is in place and agree on the level and frequency of assurance reviews through the maintenance of an integrated assurance and approvals plan. You should develop this plan and its maintenance in collaboration with the Departmental Assurance Coordinator and the Infrastructure and Projects Authority.

Programme status, reporting and transparency requirements

The programme status at the date of your appointment is reflected in the most recent quarterly return on the Programme to the Infrastructure and Projects Authority and is the agreed position as you assume formal ownership of the programme.

You are responsible for ensuring the honest and timely reporting on the position of the programme to the Infrastructure and Projects Authority while it remains on the Government Major Projects Portfolio and for providing reports and information to the Defence Programmes Approvals Secretariat as required. In future reporting should include carbon measurement, and other sustainable development goals in accordance with evolving government policy and standards. Information on the programme will be published annually by the Infrastructure and Projects Authority.

You are responsible for publishing on GOV.UK a summary of the Accounting Officers Assessment completed in line with the approval of the Business Cases and summaries of any subsequent assessments should they be required.

Development and support

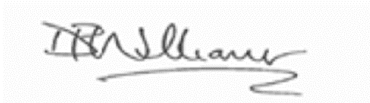
It is noted that you are undertaking the Major Projects Leadership Academy. Once graduated, you will be expected to maintain your continuing professional development as a project leader, including your status as an accredited assurance reviewer. To maintain your accreditation, you will be required to participate in a review at least once every 12 months.

The department will assist you in securing the necessary resources to support the programme, and will set clear guidance, requirements and standards, which align to the [Government Functional Standard on Project Delivery](#), to enable good governance and effective delivery. You will be part of the department's cohort of major project leaders who will be expected to support each other, share good practice and lessons learned and to collectively develop solutions. You should liaise with the department's Head of Profession for project delivery to discuss the maintenance and development of your delivery and leadership skills.

The Infrastructure and Projects Authority will be available to you for support, advice, and assurance throughout the programme's time on the Government Major Projects Portfolio.

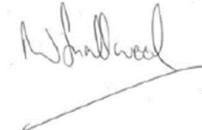
We would like to take this opportunity to wish you every success in your role as Senior Responsible Owner.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'D Williams', with a long horizontal flourish extending to the right.

DAVID WILLIAMS

Permanent Under Secretary, Ministry of Defence

A handwritten signature in black ink, appearing to read 'N Smallwood', with a long horizontal flourish extending to the right.

NICK SMALLWOOD

Chief Executive Officer, IPA