

From: Gareth Davies Second Permanent Secretary Department for Transport 33 Horseferry Road London SW1P 4DR



From: Nick Smallwood Chief Executive Officer Infrastructure and Projects Authority 1 Horse Guards Road London SW1A 2HQ

29th June 2022

To: Caroline Low/Richard Bruce

# Subject: Appointment as Senior Responsible Owner (SRO) for the Rapid Charging Fund Project

We are pleased to confirm your appointment as Senior Responsible Owner (SRO) of the Rapid Charging Fund project with effect from [30 March 2021], directly accountable to Accounting Officer, Second Permanent Secretary and Investment Portfolio and Delivery Committee (IPDC). The role of SRO will be delivered by the Directors of Transport Decarbonisation (TD), this is currently carried out as a job share (Richard Bruce and Caroline Low). It should be noted that you will collectively carry out the SRO role with full joint accountability. This will be a part-time role, which requires 0.3 Full Time Equivalent (FTE). The role of SRO for the RCF will be in addition to your current role within the Department as Directors of Transport Decarbonisation. The Rapid Charging Fund sits within the Office for Zero Emission Vehicles (OZEV) where you are supported by three Deputy Directors as Joint Heads of OZEV, one of which is the Project Director. The Project Director's time commitment is at least 60% of her time.

Regular conversations with the Second Permanent Secretary 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 the Rapid Charging Fund and securing appropriate internal resources to manage these activities. This includes:

- 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 your Rapid Charging Fund
- identification, quantification and management of the agreed project 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 during and up to project closure; and
- ensuring a plan is in place for the closure of the project at the appropriate time.

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 <u>Managing Public Money (MPM)</u>, 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 <u>Giving Evidence to Select</u> <u>Committees – Guidance for Civil Servants</u>, 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 the launch of the fund. It is important that you support your line manager in the development of a succession plan or the extension of your tenure at the appropriate time. This will then need to be agreed with the DG TD, Portfolio & Project Delivery Directorate (PPDD), Infrastructure and Projects Authority (IPA) and IPDC.

## **Objectives and Success Criteria of the Rapid Charging Fund**

The Rapid Charging Fund was announced in March 2020 by the Chancellor of the Exchequer as part of a £500m funding commitment to support the rollout of a fast-charging network for electric vehicles in England, ensuring that drivers will never be further than 30 miles from a rapid charger. At this point, the RCF was envisaged to be for helping businesses with the cost of connecting fast charge points to the electricity grid.

In November 2020, HM Treasury published the National Infrastructure Strategy. This confirmed that the £950m Rapid Charging Fund (RCF) was to be made available to future-proof electrical grid capacity at service areas on motorways and major A-roads, to prepare for 100% uptake of zero emission cars and vans.

The RCF has two objectives:

- a) By 2030, to enable the market to provide sufficient charging infrastructure on the strategic road network to support the Government's vision for the rapid chargepoint network and the transition to a 100% electric car and van fleet.
- b) Throughout the 2020s, to increase consumer confidence in on-route charging so that by 2030 no consumers cite a lack of on-route charging infrastructure as a barrier to purchasing and using an electric vehicle for long distance journeys.

Proposed changes to the project scope which impact on this intent or benefits realisation should be authorised by the Second Permanent Secretary and the Project Rapid Decision Board and may be subject to further levels of approval.

The policy intent supported by this project is as set out in the November 2020 National Infrastructure Strategy (NIS); to future-proof electrical grid capacity at motorway service areas (MSAs) and major

A roads service areas on the Strategic Road Network (SRN) to prepare for 100% uptake of zero emission cars and vans ahead of need.

The vision of the Rapid Charging Fund is to facilitate the delivery of the following outputs:

- a. By 2023, to have at least 6 high powered, open access chargepoints (150-350 kW capable) at motorway service areas (MSAs) in England.
- b. By 2030, we expect around 2,500 high powered chargepoints across England's motorways and major A roads.
- c. By 2035, we expect around 6,000 high powered chargepoints across England's motorways and major A roads

by enabling the creation of the required energy capacity to support the above targets.

Further detail on the critical success factors and benefits of the project can be found within <u>RCF</u> <u>Strategic Outline Case</u>

As joint SRO, you are expected to run your project in accordance with the <u>Government Functional</u> <u>Standard for Project Delivery</u>.

## **Financial Accountability**

## Finance and Controls

HMT spending controls will apply on the basis set out within your department's delegated authority letter, which is yet to be agreed. Where the Rapid Charging Fund 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 project is £950m, excluding VAT.

The current approved expenditure figure is £950m, it is anticipated this will be sufficient to deliver the Project. It is important to note that even though the £950m envelope was announced and profiled at SR20, the objective of the fund set out in the NIS, the RCF has not been approved by HMT until HMT has approved the full business case. Full business case approval is planned for fourth quarter of 2023 subject to the outcome of Ofgem work.

#### Delegated Departmental/Project Authority/Governance

- Your authorised expenditure was set out in your delegation letter dated 28 May 2021.
- You are authorised to agree project rescheduling, provided you are satisfied that the
  expenditure can be accommodated under the annual expenditure limit and within the period, as
  agreed with Treasury in which the rescheduled expenditure would fall. Rescheduling beyond this
  must be agreed with Accounting Officer and Investment, Portfolio and Delivery Committee, 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 Accounting Officer, IPDC or the Accounting Officer dependent on issue
- You are also responsible for recommending to Accounting Officer and 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.

## Rapid Charging Fund project status, reporting and transparency requirements

You are responsible for ensuring the honest and timely reporting on the position of the Rapid Charging Fund project to the Infrastructure and Projects Authority while it remains on the GMPP and for providing reports and information to the Department's Central portfolio management office as required. Reporting should include carbon measurement, and other sustainable development goals demonstrating evidence that the project contributes to an overarching environmental strategy and is aligned with defined Net Zero pathways. Information on the Rapid Charging Fund Project will be published annually by the Infrastructure and Projects Authority.

As the joint SRO of a project/programme that is within scope of the cross-government Net Zero Portfolio you are additionally required to report into the Net Zero and Climate Change governance structure, specifically reporting into the Net Zero Integrated Review Implementation Group and the Climate Action Implementation Committee.

You should ensure that an accounting officer assessment is completed alongside the approval of the Outline Business Case 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 Rapid Charging Fund Project which could require a new accounting officer assessment to be completed and published. <u>Guidance on completing accounting officer assessments</u> for major projects is available from HM Treasury.

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.

# Major Projects Leadership Academy (MPLA)

As SRO of a GMPP project, you are required to enrol on the MPLA. You will be contacted by a member of the MPA 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 the Department for Transport as appropriate. You (Richard Bruce **or** Caroline Low) should aim to participate in such reviews at least once every 12 months to maintain your accreditation. Guidance is available online<sup>1</sup> however, the PPM Centre of Excellence in DfT can offer individual advice if you prefer.

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.

There will be wider support available to help you discharge your responsibilities as joint 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

<sup>&</sup>lt;sup>1</sup> https://www.gov.uk/government/publications/major-projects-authority-how-to-become-an-assurance-reviewer

• 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 joint SRO.

Yours sincerely,

Gareth Davies Second Permanent Secretary Department for Transport

**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.

**Caroline Low** 

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23<sup>rd</sup> June 2022

**Richard Bruce** 

23<sup>rd</sup> June 2022

## Annex A – Guidance Documentation

- <u>Giving Evidence to Select Committees Guidance for Civil Servants</u>
- The Role of the Senior Responsible Owner
- Project Delivery Functional Standard
- <u>A Handbook for Leaders of Transformation Programmes</u>

## 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 <u>Managing public money</u>. 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: <u>Cabinet Office controls</u>.