



To: **Paul Chambers**, Senior Responsible Owner for **the Public Sector Decarbonisation Scheme Programme**

Project Identifier: **DPO-2042**

From: **Sarah Munby**, Permanent Secretary of the Department for Business, Energy and Industrial Strategy; and

Nick Smallwood, Chief Executive Officer of the Infrastructure and Projects Authority

17/11/2022

Dear Paul,

APPOINTMENT AS SENIOR RESPONSIBLE OWNER FOR THE PUBLIC SECTOR DECARBONISATION SCHEME PROGRAMME

We are writing to confirm your appointment as Senior Responsible Owner (SRO) of the **Public Sector Decarbonisation Scheme Programme** with effect from **5 April 2022**. This letter sets out your responsibilities and the support you can expect from your department and the Infrastructure and Projects Authority.

As SRO, you are directly accountable to **Jessica Skilbeck, Director (Net Zero Buildings - Portfolio and Affordability)**, under the oversight of **Ben Rimmington, the Director General for Net Zero Buildings and Industry**, **Sarah Munby, the Permanent Secretary as accounting officer for the Department for Business, Energy and Industrial Strategy**, and **Lord Callanan**.

Your **programme** forms part of the **Heat and Buildings Portfolio**, under the oversight of the Chair of the **Heat and Buildings Portfolio Board** and is included in the Government Major Projects Portfolio (GMPP).

You have personal responsibility for the delivery of **all live projects under the Public Sector Decarbonisation Scheme Programme from the date of your appointment** and will be held accountable for the delivery of **their** objectives, with policy intent and outcomes expected. **You are also responsible for the reporting and evaluation for all projects under the Public Sector Decarbonisation Scheme which have completed delivery. Your responsibility as SRO** encompasses securing and protecting the

Public Sector Decarbonisation Scheme Programme's 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. Where issues arise which you are unable to resolve, you are responsible for escalating these to **Jessica Skillbeck, Ben Rimmington, the Heat and Buildings Portfolio Board, the accounting officer, or Lord Callanan as appropriate**.

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.

In addition to your internal accountabilities, SROs for GMPP projects and programmes are personally accountable to Parliamentary Select Committees. This means that, from the date of this letter, 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 SRO 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 **your departmental portfolio office**.

Time commitment and tenure

This role will require at least 50% of your time to enable effective delivery of the role and execute your responsibilities in full.

You are required to undertake this role until achievement of **the end of Phase 3 of the Public Sector Decarbonisation Scheme**, planned for **31/03/2025**. Progress towards this will be reflected in your personal objectives. Any changes to the agreed time commitment or tenure of the role, as set out above, will require both departmental and Infrastructure & Projects Authority consent.

Objectives and performance criteria

The policy intent supported by this **programme** is **to decarbonise the public sector, enabling a transition to Net Zero GHG emissions by 2050**.

Any proposed changes to scope which impacts on this intent or the realisation of benefits must be authorised by **the Public Sector Decarbonisation Scheme Programme Board** and may be subject to further levels of approval.

Phases 1 and 2 of the Public Sector Decarbonisation Scheme have completed delivery and are currently undergoing evaluation. The vision of the **Phase 3 of the Public Sector Decarbonisation Scheme and associated RDEL** is **to support the decarbonisation of the public sector** and its objectives are to **reduce direct carbon emissions from public sector buildings by:**

- **Between 1.27MtCO₂e and 1.63MtCO₂e over Carbon Budget 4 (2023-2027)**

- **Between 1.35MtCO₂e and 1.74MtCO₂e over Carbon Budget 5 (2028-2032) and Carbon Budget 6 (2033-2037)**

Your personal objectives and performance criteria which relate to the **programme** are to:

- **Through Phase 3 of the Public Sector Decarbonisation Scheme, reduce direct emissions from public sector buildings by between 1.27MtCO₂e and 1.63MtCO₂e over Carbon Budget 4 and by between 1.35MtCO₂e and 1.74MtCO₂e over Carbon Budgets 5 and 6.**

We note that inflationary impacts that were not foreseen in the Phase 3 Business Case may justify some revision to these objectives, and we would expect any such changes to be made in line with established change control and governance processes for the **programme**.

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.

The overall estimated budget, resourcing requirements and tolerances for your project/programme will be agreed as part of the approval process. You will be expected to deliver within these tolerances and report quarterly on these as part of GMPP 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 **Phase 3 of the Public Sector Decarbonisation Scheme and associated RDEL**. Information on these controls can be found here: [Cabinet Office controls](#).

Delegated authority

You are authorised to:

- **approve expenditure of £1.425 billion CDEL and associated RDEL under Phase 3 of the Public Sector Decarbonisation Scheme;**
- **agree project rescheduling within agreed Phase 3 PSDS timeframes but rescheduling beyond that must be agreed with the Department for Business, Energy and Industrial Strategy's Project Investment Committee; and**
- **recommend to Jessica Skillbeck, the Heat and Buildings Portfolio Board, the accounting officer and Lord Callanan the need to either pause or terminate the programme where necessary and in a timely manner.**

These authority limits are subject to change and other conditions or tolerances may be set as part of the business case approval and ongoing monitoring processes which you should then operate within.

Where issues arise which take you outside of these authority limits which you are unable to resolve, you are responsible for escalating these issues to **Jessica Skillbeck, the Heat and Buildings Portfolio Board, the accounting officer, or Lord Callanan as appropriate.**

Appointments

You should appoint **at least one** full time **programme** director to support you in the management of this **programme** and 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 Department for Business, Energy and Industrial Strategy's Project Investment Committee (PIC), as well as any appropriate HMT approvals.** 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 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 **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 SROs and project directors in adjacent projects and programmes and with the **Department for Business, Energy and Industrial Strategy's** portfolio management office and the Head of the Project Delivery Profession 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 GMPP and for providing reports and information to the **Department for Business, Energy and Industrial Strategy** 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 **programme** will be published annually by the Infrastructure and Projects Authority.

As the SRO of a 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 National Security Implementation Group Sub-Group and the Climate Action Implementation Committee.

You are responsible for publishing on GOV.UK a summary of the accounting office assessment completed in line with the approval of the Outline Business Case and summaries of any subsequent assessments should they be required.

Development and support

As SRO of a GMPP programme, you are required to complete the Major Projects Leadership Academy, and you have agreed to enrol on a cohort in the near future. Simon Hulme, Chief Project Delivery Officer and Head of Function BEIS can provide further information on the application process.

To widen experience and understanding of the role, SROs are also expected to become accredited assurance reviewers and to lead or participate in such reviews for other government departments, the wider public sector, and other areas of the BEIS as appropriate. Becoming an assurance reviewer and completing a review will form part of your time at the Major Projects Leadership Academy. 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 GMPP.

Following approval of the business case and entry onto the **Department for Business, Energy and Industrial Strategy's Departmental Portfolio Board, the Portfolio Board** will provide ongoing oversight and support and will take steps to help resolve and escalate risks, issues or constraints that are acting as a blocker to successful delivery.

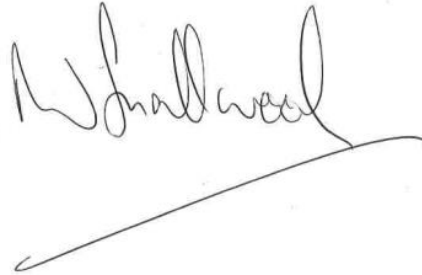
We would like to take this opportunity to wish you every success in your role as SRO.

Yours sincerely,



SARAH MUNBY

Permanent Secretary, Department for Business,
Energy and Industrial Strategy




NICK SMALLWOOD

Chief Executive Officer, Infrastructure and
Projects Authority

CONFIRMATION OF ACCEPTANCE OF APPOINTMENT

I confirm that I accept the appointment of Senior Responsible Owner for the **programme**, including my personal accountability for implementation, as set out in the letter above.

PAUL CHAMBERS



18-11-22

