



Department for  
Business, Energy  
& Industrial Strategy



Infrastructure  
and Projects  
Authority

To: Selvin Brown, Senior Responsible Owner for the Home Upgrade Grant and Local Authority Delivery (HULA) schemes

Project Identifier:

Project	GMPP Identifier
Green Home Grant: Local Authority Delivery (LAD) Phase 1 & 2	DPO_2080
Local Authority Delivery (LAD) Phase 3	DPO2185
Home Upgrade Grant (HUG) Phase 1	DPO_2228
Home Upgrade Grant (HUG) Phase 2	DPO_2071
Home Upgrade Grant Consumer Led Route (HUG CLR)	

From: Sarah Munby, Permanent Under-Secretary of State of the Department for Business, Energy and Industrial Strategy (BEIS); and Nick Smallwood, Chief Executive Officer of the Infrastructure and Projects Authority

21/06/2021

Dear Selvin Brown,

## **APPOINTMENT AS SENIOR RESPONSIBLE OWNER FOR THE HOME UPGRADE GRANT AND LOCAL AUTHORITY DELIVERY (HULA) SCHEMES**

We are writing to confirm your appointment as Senior Responsible Owner (SRO) of the Home Upgrade Grant and Local Authority Delivery Schemes (HULA) schemes with effect from 01/10/2020. 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 Director General, Net Zero Buildings and Industry, under the oversight of the Permanent Under-Secretary of State as accounting officer for BEIS and Lord Callanan, Lords Parliamentary Under Secretary of State, Minister for Business, Energy and Corporate Responsibility.

The HULA schemes form part of the Net Zero Buildings, Domestic portfolio under the oversight of the Chair of the Net Zero Delivery Board and are included in the Government Major Projects Portfolio (GMPP).

You have personal responsibility for the delivery of the Home Upgrade Grant and Local Authority Delivery schemes and will be held accountable for the delivery of their objectives, with policy intent and outcomes

expected. This encompasses securing and protecting their vision, ensuring that they are governed responsibly, reported on honestly, escalated appropriately and for influencing the context, culture, and operating environment of the schemes. You are also responsible for ensuring the ongoing viability of the schemes and recommending they are paused or terminated if appropriate. Where issues arise which you are unable to resolve, you are responsible for escalating these to the relevant governance body. You remain accountable to Ministers, as set out in the Civil Service Code, and should deliver the schemes 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 schemes.

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 the Centre of Excellence team in the Implementation and Delivery Unit.

## Time commitment and tenure

This role will require 50% of your time to enable effective delivery of the role and execute your responsibilities in full. This is split between the schemes as below:

Project	SRO Time Commitment
Local Authority Delivery (LAD) Phase 1, Phase 2, and Phase 3	10%
Home Upgrade Grant (HUG) Phase 1 and Phase 2	40%
Home Upgrade Grant Consumer Led Route (HUG CLR)	0% (Pre-OBC)
<b>HULA Total</b>	<b>50%</b>
Social Housing Decarbonisation Fund (SHDF)	40%

You are required to undertake this role until achievement of the current anticipated completion of the delivery phase of the Home Upgrade Grant (HUG) Phase 2 planned for March 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 of the schemes is to deliver progress towards the UK's statutory target for net zero by 2050 and enable the delivery of the wider policy package to phase out high-carbon heating for homes by growing supply chains and ensuring such policies do not act to the detriment of fuel poor households. The schemes also aim to support energy efficiency measures and low-carbon heating, with the aim that packages of measures upgrade homes to an energy efficiency rating of EPC C where possible by the end of 2030.

Any proposed changes to scope which impacts on this intent or the realisation of benefits must be authorised by using the scheme's governance framework, in conjunction with the departments governance framework and may be subject to further levels of approval.

The vision of the schemes is to transform the homes of low income households through energy efficiency and clean heating upgrades to alleviate fuel poverty and make progress towards net zero. Working with Local Authorities the HULA team seeks to deliver over £2bn of upgrades this Parliament. The objectives of the schemes are to:

- **Tackle Fuel Poverty:** Upgrade fuel poor homes to EPC Band D or C to meet the statutory fuel poverty target of Band C by 2030 and the interim milestone of Band D by 2025.
- **Bill Savings:** Reduce energy costs for low-income households, helping the poorest homes become cheaper to heat with low carbon heating.
- **Carbon Savings:** As part of the pathway to Net Zero, contribute to carbon abatement towards Carbon Budgets 4 and 5.
- **Decarbonise Homes:** Support the aims of the Prime Minister's 10 Point Plan for a Green Industrial Revolution to decarbonise the housing stock and install 600,000 heat pumps by 2028 by supporting low-income households with the cost of transition to low carbon heating.
- **Level Up Supply Chain Capacity:** Help develop supply chains, local capability and provide continued delivery of energy efficiency and low carbon heating measures. In addition, the schemes aim to support clean energy jobs in communities throughout England, levelling up economic opportunity.

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

- The Local Authority Delivery 1 & 2 scheme has modelled benefits of energy efficiency upgrades to around 55,000 homes, delivery of carbon savings, supporting around 15,000 jobs pa, as well as energy bill savings of up to £460 per household. This scheme is in delivery from August 2020 including managed closure to September 2022.
- The Local Authority Delivery (LAD) Phase 3 scheme is expected to support energy efficiency upgrades to around 21,000 homes, deliver carbon savings, support around 4,600 jobs pa as well, as energy bill savings of up to £176 per household. This scheme is in delivery from January 2022 to March 2023.
- The Home Upgrade Grant (HUG) Phase 1 scheme is expected to support energy efficiency upgrades to around 8000 homes, deliver carbon savings, support around 4,800 jobs pa, as well as energy bill savings of up to £303 per household. This scheme is in delivery from January 2022 to March 2023.
- The Home Upgrade Grant (HUG) Phase 2 scheme is expected to support energy efficiency updates to around 36,000 – 42,000 homes, deliver carbon savings, support around 20,000 jobs pa, as well as energy bill savings of up to £490 per household. This scheme is planned for delivery from February 2023 to March 2025.

- The Home Upgrade Grant Consumer Led Route (HUG CLR) will allow for delivery to individual homeowners to upgrade their homes via a grant. The project is pre-OBC with delivery planned from 2024 onwards. A percentage time allocation is required and will be provided from October 2022.

You are expected to run your schemes in accordance with the [Government Functional Standard for Project Delivery](#), the other [Functional Standards](#) as applicable to the schemes 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 HULA schemes exceed 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 scheme's 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 the schemes 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 the HULA schemes. Information on these controls can be found here: [Cabinet Office controls](#).

### Delegated authority

You are authorised to approve expenditure in line with your delegated authority letter.

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 the relevant governance body such as P&R, the Accounting Officer and HMT.

## **Appointments**

You should appoint a full time programme director to support you in the management of the schemes and make other appointments as required for the control and delivery of the schemes within your delegated authority.

## **Governance and assurance**

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

As primary owner, you must ensure that the schemes secure business case approval from HMT and BEIS Projects and Investment Committee. You should also ensure that the schemes remain aligned to the strategic outcomes, costs, timescales, and benefits in line with their approved business cases as well as monitoring the context within which the schemes are being delivered to ensure they remain 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 schemes 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 the schemes, 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 Net Zero Buildings, Domestic 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.

## **Scheme status, reporting and transparency requirements**

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

You are responsible for ensuring the honest and timely reporting on the position of the schemes to the Infrastructure and Projects Authority while it remains on the GMPP and for providing reports and information to the Net Zero Buildings and Industry 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 schemes will be published annually by the Infrastructure and Projects Authority.

As the SRO of schemes that are 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 officer assessment completed in line with the approval of the scheme's 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 (MPLA). You are enrolled on MPLA Cohort 30, beginning June 2021 and concluding in June 2023. The Head of Profession in BEIS Implementation and Delivery Unit 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.

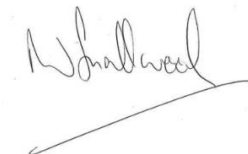
The department will assist you in securing the necessary resources to support the programme and will set clear guidance, requirements and standards, which align to the [Government Functional Standard on Project Delivery](#), to enable good governance and effective delivery. You will be part of the department's 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 HULA scheme's time on the GMPP.

Following approval of the business case and entry onto the Net Zero Buildings, Domestic, the Net Zero Buildings and Industry 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**

Under-Secretary-of-State for the Department of  
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 schemes, including my personal accountability for implementation, as set out in the letter above.



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**SELVIN BROWN**

13/07/22