



Department for Levelling Up,
Housing & Communities



Infrastructure
and Projects Authority

To: Emma Payne, Senior Responsible Owner for the Affordable Homes Programme 2021 - 2026

From: Sarah Healey, Permanent Secretary at the Department for Levelling up, Housing and Communities and; Nick Smallwood, Chief Executive Officer of the Infrastructure and Projects Authority

11 March 2024

Dear Emma,

APPOINTMENT AS SENIOR RESPONSIBLE OWNER FOR THE AFFORDABLE HOMES PROGRAMME 2021 - 2026

We are writing to formally acknowledge your role as the Senior Responsible Owner (SRO) of the Affordable Homes Programme 2021 – 2026 (AHP), with effect from the date of this letter. This letter sets out your responsibilities and the support you can expect to receive from your department and the Infrastructure and Projects Authority (IPA).

As SRO, you are directly accountable to Joanna Key, Director General for Regeneration, Housing and Planning, under the oversight of myself as Permanent Secretary and Accounting Officer for the Department.

Where your portfolio involves grant-funded initiatives of any type, you are directly accountable to Matt Thurstan as the Senior Officer Accountable for grant schemes in DLUHC. This is in addition to any accountabilities you may have from a Government Major Projects Portfolio (GMPP) and DLUHC governance perspective.

The AHP forms part of the Regeneration Portfolio, under the oversight of the Chair of the Regeneration Portfolio Board and is included in the GMPP.

As SRO you have personal responsibility for the delivery of the AHP and 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 responsible for ensuring the ongoing viability of the AHP and recommending its pause or termination if appropriate. Where issues arise which you are unable to resolve, you are responsible for escalating these to the Regeneration Portfolio Board in a timely manner.

You are also responsible for ensuring any grant-funded initiatives within your portfolio are designed, developed and delivered in line with the Government Grant Functional Standard and the associated Minimum Requirements as set out in Annex A. These became mandatory for all government departments on from 30 September 2021.

Like all Civil Servants, you will 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 in the delivery of 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 relevant Ministers 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 IPA'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 Central Portfolio Office.

Time commitment and tenure

You are required to undertake this role until the completion of the programme. 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 IPA consent.

As the SRO of the AHP, you will be required to dedicate at least 15% of your time to the programme to enable the effective delivery of the role and to execute your responsibilities in full.

A Project Director has been appointed to support you in the management of the AHP and you can make other appointments as required to ensure the control and delivery of your programme within your delegated authority. It is the Project Director's responsibility for leading regular risk and programme management scrutiny boards and to escalate emerging risks to the Programme Board.

If you cease acting as the SRO for one or more grant-funded initiatives within your portfolio, please email the DLUHC Grants Centre of Excellence Team with details of the replacement SRO. This is to ensure that both departmental and wider Government Grant Information System records are accurate and can be updated. You are also responsible for ensuring there is a smooth, informed handover to the new SRO.

Objectives and performance criteria

The AHP is the Government's flagship programme for building affordable housing and constitutes DLUHC's largest capital grant programme.

The policy intent (benefits and outcomes) supported by the programme is to facilitate the supply of subsidised homes across England for those who cannot afford to rent or buy in the marketplace.

The provision of affordable housing is a central pillar of the Government's plan to level-up the country, end the housing crisis, tackle homelessness and provide aspiring homeowners with a step onto the housing ladder.

The AHP was launched in September 2020 with a public commitment to invest £11.5bn to deliver up to 180,000 affordable homes right across the country should economic conditions allow. We have already identified that the programme is very unlikely to deliver 180,000 homes due to economic changes and so we note that you will confirm new delivery targets shortly, when the overall figures are ready to publish.

Any proposed changes to scope which impacts on this intent or the realisation of benefits must be authorised by the relevant Ministers, HM Treasury and the Department's Investment Sub-Committee and may be subject to further levels of approval.

As SRO 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

(1) 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 current overall budget for the programme is £11.5bn.

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 AHP. Information on these controls can be found here: [Cabinet Office controls](#).

(2) Delegated authority

You are authorised to:

- approve expenditure of up to £11.5bn to facilitate the delivery of the AHP;
- approve project rescheduling within agreed thresholds, but rescheduling beyond that must be agreed with the Regeneration Portfolio Board and delivery partners as well as HM Treasury and relevant Ministers; and
- recommend to myself as Business Owner, as well as the Regeneration Portfolio Board, of 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 you are unable to resolve, you are responsible for escalating these issues to the Portfolio Board and ultimately to Ministers.

Governance and Assurance

In line with IPA recommendations, the AHP has in place robust governance and assurance processes. You hold a monthly overarching DLUHC board which provides an added layer of accountability and scrutiny. You have oversight of monthly programme boards with our delivery partners, chaired by the Project Director and managed by the programme team.

As primary owner, you must continue to ensure that the AHP secures business case approval for any future significant changes from the relevant Ministers, HM Treasury and the Department's Investment Sub-Committee. 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 AHP is being delivered to ensure it remains valid.

Where a change impacts the scope, costs, benefits, or planned delivery milestones that form 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 AHP 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 AHP, 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 Regeneration Portfolio Board 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 IPA.

Programme - status, reporting and transparency requirements

You must ensure that the programme status at the date of your appointment is reflected in the most recent AHP quarterly return to the IPA 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 AHP to the IPA while it remains on the GMPP and for providing reports and information to the Regeneration portfolio management office as required.

Where appropriate, 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 AHP will be published annually by the IPA.

You are responsible for publishing on GOV.UK a summary of the Accounting Officer 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. The Head of Profession in DLUHC 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 department 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 AHP, 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 IPA will be available to you for support, advice, and assurance throughout the AHP's time on the GMPP.

The Regeneration Portfolio Board will continue to provide 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.

Government Grant Functional Standards

Where you are an SRO of one or more grant-funded initiatives, you should operate at all times within the rules set out in the Government Grant Functional Standard and Managing Public Money. [Minimum Requirement One](#) of the Government Grant Functional Standard provides background and specific guidance on your SRO role obligations and responsibilities. In addition, you must be mindful of, and act in accordance with, the specific HM Treasury delegated limits and Cabinet Office controls applicable to the relevant grant-funded initiative(s).

You are also responsible for familiarising yourself with relevant information and good practice documentation from the Cabinet Office Grant Centre of Excellence website, including the [Code of Conduct for Recipients of Government Grants](#)

In addition, it is also your responsibility to undertake the SRO training provided by the Cabinet Office Grant Centre of Excellence on an annual basis. This can be accessed at [SRO learning – Grant Centre of Excellence \(civilservice.gov.uk\)](#) (registration on the Centre of Excellence Portal is required). You are also responsible for ensuring that any staff involved in the design, development or delivery of grant-funded initiatives, within your remit, complete the required minimum mandatory grant management e-learning. Details can be found in the Grant Learning section of the [DLUHC Grants Community Hub](#).

You should also ensure that there is a process in place to ensure that all key documents for grant-related initiatives are retained in the appropriate way and for the correct length of time. This should include documentary evidence of all key decisions taken in the development of the grant scheme, as well as invoices, receipts and accounting records provided by the grant recipient as detailed in the grant agreement. This should be on a shared drive and be accessible by key staff, auditors and the DLUHC Grants Centre of Excellence when required.

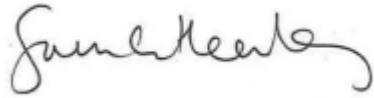
The DLUHC Grant Centre of Excellence team and Cabinet Office Government Grant Management Function (GGMF) colleagues are available to provide further support and advice on the Government Grant Functional Standards and best practice.

The new [DLUHC Grants Community Hub](#) also offers useful information and resources, including essential documents, templates, training and guidance to inform grant-making across the department. The [Cabinet Office GGMF website](#) also has a resources library which you are encouraged to access and review: [Standard documents – Grant Centre of Excellence \(civilservice.gov.uk\)](#)

On receipt of this letter, please sign it electronically and send a copy of the signed version to the DLUHC Grant Centre of Excellence team at Grants.Champion@levellingup.gov.uk. This is to ensure the department complies with the requirement for departmental SRO letters for grants to be uploaded into the Government Grant Information System.

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

Yours sincerely,



SARAH HEALEY

Permanent Secretary,
Department for Levelling Up, Housing and
Communities



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 Affordable Homes Programme, including my personal accountability for implementation, as set out in the letter above.



EMMA PAYNE

12.03.2024