

From:



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To:

Date: 05 March 2024

John Staples, Senior Responsible Owner for the following programme and other related work:

Project	Identifier
GBN Set Up and Sponsorship	DPO: 2260
SMR Programme (this includes activity related to SMR technology selection and procurement; site acquisition; and SMR development company establishment)	

Dear John,

Appointment as Senior Responsible Owner for the SMR Programme and Great British Nuclear Set-Up and Sponsorship.

You have been the Senior Responsible Owner (SRO) of the Great British Nuclear (GBN) (1) Set Up and Sponsorship and (2) SMR Programme since 1st May 2023. We are writing to confirm that appointment and to set out your responsibilities and the support you can expect from the Department for Energy Security and Net Zero (DESNZ) and the Infrastructure and Projects Authority (IPA).

As SRO for the SMR Programme, **you are directly accountable to** Jeremy Pocklington as Accounting Officer for DESNZ and Principal Accounting Officer for GBN, under the oversight of Minister Bowie, Parliamentary Under Secretary for Nuclear and Networks.

As SRO for the GBN Setup and Sponsorship, you are directly accountable to Lee McDonough (Director General Net Zero, Nuclear, and International) and subject to the terms of her delegated authority and thereafter Jeremy Pocklington as Permanent Secretary and Principal Accounting Officer of GBN, under the oversight of Minister Bowie, Parliamentary Under Secretary for Nuclear and Networks.

As part of your role as SRO for the SMR Programme and the GBN Setup and Sponsorship Project, you will work closely with the GBN Accounting Officer and CEO, Gwen Parry Jones, who is responsible for providing the expertise and delivery capability within GBN which both provides advice on and largely manages delivery of the SMR programme.

Your GBN and SMR programmes form part of the DESNZ Energy Security Portfolio, under the oversight of Jeremy Pocklington – who is the Principal Accounting Officer for GBN – and the SMR programme is included in the

Government Major Projects Portfolio (GMPP). The GBN Setup and Sponsorship project is not included in the GMPP, though its success is a critical enabler for the SMR programme.

You have personal responsibility for the delivery of GBN Set Up and Sponsorship and the SMR Programme 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 GBN projects. You are also responsible for ensuring the ongoing viability of the projects and recommending its pause or termination if appropriate. Where issues arise, you must escalate these to up the relevant escalation route. These are as follows:

- SMR Programme: You should escalate to the GBN Board (which includes the GBN AO / CEO) in the first instance. If this forum is unable to resolve the issue, you are required to escalate to the Director General for Net Zero, Nuclear, and international and, if necessary following discussion with the Director General, upwards to the PAO for GBN and DESNZ Permanent Secretary.
- For GBN Setup and Sponsorship: You should escalate to the Director General for Net Zero, Nuclear. If further escalation is required, then you should route to the PAO for GBN and DESNZ Permanent Secretary.

You also 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, 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 GBN and the SMR 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 DESNZ Energy Security Portfolio.

Time commitment and tenure

These roles will require at least 80% of your time, with more at peak decision and delivery points, to enable effective delivery of the role and execute your responsibilities in full. You will need to balance this against your other responsibilities related to Fusion policy and UK Atomic Energy Authority Sponsorship.

For GBN Setup and Sponsorship, you are required to undertake this role until the end of the initial phases for the GBN projects, namely the set up and critical path items for its first two years of operations, to 31st 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 DESNZ and IPA's consent.

For the SMR Programme, you are required to undertake this role until the SRO transfer conditions (as detailed in the SRO Transition Note) have been met. Once these conditions are met, responsibility for the SMR Programme project will be transferred to GBN.

Objectives and performance criteria

The policy intention supported by these projects is: to establish Great British Nuclear (GBN) as a Non-Departmental Public Body equipped with the operational freedom and tools to deliver its initial projects and maintain the critical path for HMG's ambition of 24GW of new nuclear deployment by 2050, in support of Net Zero, and paving the way for greater energy security and diversification of energy supply in the UK.

Any proposed changes to scope which impacts on this intent or the realisation of benefits must be authorised in the first instance through the Programme's internal governance arrangements and in conjunction with the Departmental governance framework.

The objectives for the SMR Programme and GBN Setup and Sponsorship are:

GBN Set Up and Sponsorship:

- To set up and mature GBN into a fully functional, stand-alone NDPB by 31st March 2025
- To ensure that GBN is fully resourced with the right capability, expertise and capacity by 31st March 2025 to deliver its initial projects, professionally manage its business affairs, and to act as expert advisor to HMG.
- To enable a programmatic approach to new nuclear deployment through the establishment and maturation of GBN.
- To design and implement a robust Sponsorship model that learns from HMG experience in major projects and deliver's DESNZ long term role, as part of the wider new nuclear programme operating mode.

SMR Programme:

- The scope of the SMR Programme is to deliver Small Modular Reactor projects to Final Investment Decision 2029 and enable operating SMRs with Commercial Operation Date (COD) by 2035. This includes progressing SMR technology selection and procurement; site acquisition; and SMR development company establishment.

Your personal objectives and performance criteria which relate to the project's contribution to your Departmental priorities are:

1. Setting up and managing the SMR programme and GBN Setup and Sponsorship with high quality governance, assurance and performance and risk management;
2. Ensuring the technology selection process delivers against programme objectives and provides value for money for the taxpayer;
3. Ensuring that work to establish project developer capability and to access sites for projects delivers against programme objectives;
4. Securing business case approvals from ministers and approval bodies successfully;
5. Ensure all objectives are delivered within the agreed tolerances for timeframe, quality and budget.

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

Extent and limit of accountability

Finance and Controls

HM Treasury (HMT) spending controls will apply on the basis set out within the department's policy for financial delegation, and in your own financial delegation and formal delegated authority to spend against the GBN budgets as outlined in your 2023/24 Delegation Letter. If non-GMPP projects exceed the HMT delegated authority limit, the Treasury Approval Point (TAP) process applies, with the details for these being agreed with the HMT spending team.

However, as the GBN projects are part of the GMPP pathway, and its 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. For clarification, please consult departmental finance colleagues in the first instance, before raising with the HMT 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 always operate within the rules set out in [Managing Public Money](#). In addition, you must be mindful of, and act in accordance with, the specific HMT delegated limits and Cabinet Office controls relevant to the GBN projects. Information on these controls can be found here: [Cabinet Office controls](#).

Delegated authority

You should use your programme's governance framework, as the means by which any necessary authorisation is sought for any changes to your programme's scope, milestones or scheduling.

You are authorised to:

- Approve spends of up to £10mn – above which, and up to a level of £50mn, you will need to seek approval from the Director General (Net Zero, Nuclear and International) as outlined in her 2023/24 Delegation Letter.
- Recommend project / programme rescheduling within 3 months of agreed milestones, but you must seek approval from the GBN Board and notify the Director General (Net Zero, Nuclear and International). If the project is rescheduled beyond this tolerance, you must gain approval from the GBN Board as well as the Director General for Net Zero, Nuclear and International, and to the PAO for GBN/Permanent Secretary for DESNZ.
- If the need arises to either pause or terminate the programme, recommend this course to the Principal Accounting Officer for GBN/Permanent Secretary.

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.

Appointments

You should ensure that a full-time programme director is appointed by GBN to support you in the management of the SMR programme and that they make other appointments as required for the control and delivery of your programme within their delegated authority.

Your Deputy Director for GBN Sponsorship, will manage GBN Setup and Sponsorship.

Governance and assurance

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

As primary owner, you must ensure that the projects secure business case approval from DESNZ Projects and Investment Committee (PIC), from HMT, and from Cabinet Office (as required). You should also ensure that GBN Setup and Sponsorship project and the SMR Programme is 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 Principal Accounting Officer any material changes in the project 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 these projects, 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/programme directors in adjacent projects and programmes and with the Energy Security and Net Zero 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 statuses at the date of your appointment are reflected in the most recent quarterly return on the project to the Infrastructure and Projects Authority and is the agreed position as you assume formal ownership of the project / programme (as applicable).

You are responsible for ensuring the honest and timely reporting on the position of the project / programme to the IPA while they remain on the GMPP pathway and for providing reports and information to DESNZ Energy Security Portfolio Management Office and to DESNZ Implementation and Delivery Unit as required. Reporting should include 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 projects will be published annually by the IPA.

As the 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 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 – as applicable during your tenure as SRO.

Development and support

As SRO of a GMPP projects, you are required to complete the Major Projects Leadership Academy, and DESNZ has nominated you to join the 2024 Spring Cohort for the course. The Project Delivery Centre of Excellence on behalf of the Head of Profession in DESNZ can provide further information on the application process. The SMR Programme Director, Karen Wheeler, is a graduate of the Major Projects Leadership Academy.

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 DESNZ 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.

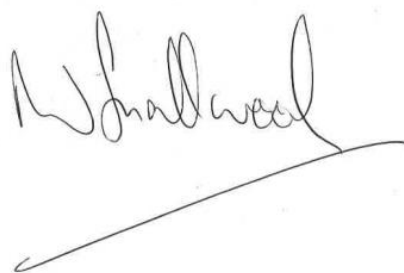
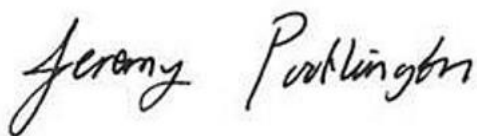
The department will assist you in securing the necessary resources to support the GBN Setup and Sponsorship project and the SMR Programme and will set clear guidance, requirements and standards, which align to the [Government Functional Standard on Project Delivery](#), to enable good governance and 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 IPA will be available to you for support, advice, and assurance throughout the duration of the GBN projects time on the GMPP pathway.

Following approval of the business case and entry onto the DESNZ Energy Security Portfolio, Jeremy Pocklington (the DESNZ Permanent Secretary and GBN's Principal Accounting Officer), Clive Maxwell (the DESNZ Second Permanent Secretary and the Chair of PIC), and the Lee McDonough (Director General for Net Zero, Nuclear and International) 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,



JEREMY POCKLINGTON

NICK SMALLWOOD

Permanent Secretary and Accounting Officer

Chief Executive Officer

Department for Energy Security and Net Zero

Infrastructure and Projects Authority

CONFIRMATION OF ACCEPTANCE OF APPOINTMENT

I confirm that I accept the appointment of Senior Responsible Owner for GBN Set Up and Sponsorship and the SMR Programme, including my personal accountability for implementation, as set out in the letter above.

A handwritten signature in black ink, appearing to read 'John Staples', located at the top of the page.

John Staples

22 May 2024