



HM Government

To: Jo Bray, Senior Responsible Owner for the Automotive Transformation Fund

From: Gareth Davies, Permanent Secretary of Department for Business and Trade; and Nick Smallwood, Chief Executive Officer of the Infrastructure and Projects Authority

12 March 2025

Dear Jo,

## **APPOINTMENT AS SENIOR RESPONSIBLE OWNER FOR THE AUTOMOTIVE TRANSFORMATION FUND**

We are writing to confirm your appointment as Senior Responsible Owner (SRO) of the Automotive Transformation Fund (ATF) with effect from 8<sup>th</sup> July 2024. 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 Jae Samant as Director General (DG) for Business Group, under the oversight of the Permanent Secretary as accounting officer for Department for Business and Trade (DBT), and the Secretary of State.

The ATF forms part of the DBT Change Portfolio under the oversight of the Change Portfolio Office and the Chief Project Delivery Officer and the relevant subcommittees under the Executive Board, and is included in the Government Major Projects Portfolio (GMPP).

You have personal responsibility for the delivery of the ATF and will be held accountable for the delivery of its objectives, policy intent and outcomes. 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 ATF. You are also responsible for ensuring the ongoing viability of the ATF and recommending its pause or termination if appropriate. Where issues arise that you are unable to resolve, you are responsible for escalating these to the Change Portfolio Office, who will escalate to Investment Committee (IC) or Performance and Risk Committee (PRC) as appropriate.

You 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 the ATF.

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 are expected to run the ATF in accordance with the [Government Functional Standard for Project Delivery](#), and the requirements of [other functional standards](#) as required, which is mandated for government departments and arm's length bodies to follow. You should also make yourself familiar with [The Teal Book](#), Government Project Delivery's code of practice for project delivery, and any further guidance and requirements set by DBT.

### **Time commitment and tenure**

This role will require at least 30% of your time to enable effective delivery of the role and execute your responsibilities in full. You are required to undertake this role until the end of the current funding round, 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 departmental and Infrastructure & Projects Authority consent.

### **Objectives and performance criteria**

The government remains committed to putting the UK at the forefront of the design and manufacturing of zero emission vehicles as demonstrated by the announcement that 80% of new cars and 70% of new vans sold in Great Britain are set to be zero emission by 2030, increasing to 100% by 2035, while the UK-EU Trade and Cooperation Agreement has provided clarity on the Rules of Origin requirements which manufacturers will need to meet if they are to benefit from tariff free trade. Government support and funding via the ATF is intended to ensure that we can meet these phase out dates as well as the Carbon Budget 6 trajectory.

The Automotive Transformation Fund is designed to support the creation of an internationally competitive zero emission vehicle supply chain here in the UK. It supports late-stage R&D and capital investments across strategically important parts of the electric vehicle supply chain.

Any proposed changes to scope which impacts on this intent or the realisation of benefits must be authorised by the ATF Programme Delivery Board and the ATF Governance Boards and may be subject to further levels of approval.

The Automotive Transformation Fund aims:

- to secure the transformation of the UK automotive sector at scale and pace by developing and embedding the next generation of zero emission automotive technologies; and
- to retain or better the current economic benefits and trade flows; and
- to ensure that the UK retains its technological leadership position throughout this transformation.

Specific objectives for the Automotive Transformation Fund are to:

- Signal the UK's commitment to the future of the automotive sector and support the transition to zero emission vehicles through raising the profile of the UK as a location for automotive activity and drawing in private investment, including in gigafactories.
- Support the UK's role in tackling climate change by reducing global emissions from the automotive sector whilst also ensuring we maximise economic benefits from the transition.

- Safeguard/grow manufacturing jobs in the UK automotive sector, including the creation of skilled, well-paid jobs for the design and manufacture of the next generation of vehicle technologies to offset losses which will be expected to occur as production of ICE vehicles declines.
- Address and remedy the structural weaknesses in the UK supply chain, helping ensure a secure and resilient supply of key materials and components, and work towards increasing local content in UK built electric vehicles, which will support meeting Rules of Origin requirements in future trade agreements, enabling tariff free access to global markets.

Your personal objectives and performance criteria are to:

- Ensure that there is effective identification, quantification, and management of benefits throughout the programme to optimize benefits realisation.
- Ensure that the programme delivers to scope, on time and within budget.
- Ensure there is excellent engagement with the programme across DBT.
- Ensure stakeholder management with colleagues outside of DBT and HMT is regular and timely.
- Ensure the programme focuses on strategically important investments and those that significantly contribute to the programme objectives.

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

### Delegated authority

- Approve expenditure of up to £5m CDEL and £5m RDEL.
- You are authorised to agree programme rescheduling within a four-week tolerance period of agreed milestones, but rescheduling beyond that must be escalated and agreed with the Change Portfolio Office.
- You are also responsible for recommending to the Chief Project Delivery Officer and the Portfolio Office the need to either pause or terminate the programme where necessary and in a timely manner.
- You will make formal approval decisions on key procurement documents.
- You will keep the business updated on progress via agreed reporting routes with the Change Portfolio Office, which will be escalated to PRC or IC as necessary.

- You will manage risks associated with the programme and you will proactively identify key SRO and Accounting Officer issues and decision points that might arise in advance, to the extent it is feasible to do so.
- You will ensure that all spend that has a reputational risk in the individual or aggregate is both signed off appropriately and has had input from communications teams.

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 that you are unable to resolve, you are responsible for escalating these issues to the DG and the Portfolio Office (who will escalate to PRC as necessary).

## **Appointments**

You should appoint a full time programme director to support you in the management of the ATF 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 the ATF, including the establishment of an ATF board with appropriate membership and clear terms of reference.

As primary owner you must ensure that the ATF secures business case approval from the DBT Investment Committee, Cabinet Office, and HMT. You should also ensure that the ATF 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 ATF 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 ATF 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 ATF, 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 DBT Portfolio Office and Chief Project Delivery Officer 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.

The following ATF governance forums are in place to support with the delivery of the ATF:

- Investment Committee: The IC meets ten times a year, is co-chaired by the Director General Trade Negotiations and Director General Business Group, and is comprised of Directors from across all DBT areas. The Board makes key decisions around portfolio spend.
- Performance and Risk Committee: The PRC meets ten times a year, is co-chaired by the Director General Business Group and the Chief Operating Officer. The committee monitors DBT's performance and performs deep-dives into departmental risks.
- Automotive Transformation Governance Board: ATGB meets on the third Wednesday of each month. It is chaired by the Chief Executive of the Advanced Propulsion Centre. The board monitors project status, including progress, finance, risks and issues.

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

The ATF status at the date of your appointment is reflected in the most recent quarterly return on the ATF 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 ATF to the Infrastructure and Projects Authority while it remains on the GMPP and for providing reports and information to the DBT portfolio management office as required. Reporting should include carbon measurement, and other sustainable development goals demonstrating evidence that the programme contributes to an overarching environmental strategy and is aligned with defined Net Zero pathways. Information on the ATF will be published annually by the Infrastructure and Projects Authority.

As part of the government's commitment to transparency on major infrastructure projects, 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;
- A summary of the HM Treasury approved Full Business Case; and
- A close out report after the programme has completed.

## **Development and support**

Your DG Business Group is your senior sponsor for this project. In that role you can expect them to offer you support, advice and oversight. This should include help with escalating unresolved risks and issues to the Leadership Team where necessary, dealing with strategic blockers to delivery, and supporting you in obtaining the resources and support you need to execute your SRO responsibilities.

As SRO of a GMPP programme, you are required to complete the Major Projects Leadership Academy in the future and following permanent appointment to this position. In the meantime, you are currently enrolled on a cohort of SRO Fundamentals and engaging with the Head of Profession and Capability team on personal Learning and Development.

To widen experience and understanding of the role, SROs are also expected to become accredited assurance reviewers and to lead or participate in reviews for other government departments, the wider public sector, and other areas of DBT 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 ATF 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 ATF's time on the GMPP.

IC 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.

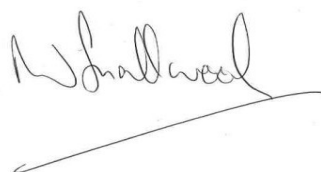
We would like to take this opportunity to wish you every success in your role as SRO.

Yours sincerely,



**GARETH DAVIES**

Permanent Secretary, Department for Business and Trade



**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 Automotive Transformation Fund, including my personal accountability for implementation, as set out in the letter above.

A handwritten signature in black ink, appearing to be 'Jo Bray', written over a faint dotted grid background.

**JO BRAY**

[13/03/2025]