

To: Selvin Brown, Senior Responsible Owner for the Warm Homes: Local Grant (WH: LG) (DPO-2390)

From: Jeremy Pocklington, Permanent Secretary of Department for Energy Security and Net Zero; and Karina Singh, Director, Function, Insight & Professions, National Infrastructure & Service Transformation Authority

10 June 2025

Dear Selvin,

APPOINTMENT AS SENIOR RESPONSIBLE OWNER FOR THE WARM HOMES: LOCAL GRANT

We are writing to confirm your appointment as Senior Responsible Owner (SRO) of the **Warm Homes: Local Grant** programme with effect from 23rd September 2024. This letter sets out your responsibilities and the support you can expect from your department and the National Infrastructure and Service Transformation Authority.

As SRO, you are directly accountable to Ben Rimmington, Director General for Net Zero Buildings and Industry, under the oversight of Jeremy Pocklington - the Permanent Secretary, as Accounting Officer for Department for Energy Security and Net Zero (DESNZ) and Miatta Fahnbulleh MP (Minister for Energy Consumers).

Warm Homes: Local Grant forms part of the Net Zero Buildings & Industry Portfolio under the oversight of the Chair of the NZBI Portfolio Board and is included in the Government Major Projects Portfolio (GMPP).

You have personal responsibility for the delivery of WH:LG and will be held accountable for the delivery of its objectives, policy intent and outcomes. This is in addition to your already established responsibilities as SRO for HUG2, which closes in September 2025. 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 also responsible for ensuring the ongoing viability of WH:LG 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 Net Zero Buildings Portfolio Board.

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 Warm Homes: Local Grant and HUG2.

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 <u>Giving Evidence to Select Committees - Guidance for Civil Servants</u>, sometimes known as the Osmotherly Rules. Information on the roles and responsibilities of the SRO are detailed in Government Project Delivery's guidance on <u>the role of the senior responsible owner</u>,

You are expected to run Warm Homes: Local Grant in accordance with the <u>Government Functional Standard for Project Delivery</u>, and the requirements of <u>other functional standards</u> as required, which is mandated for government departments and arm's length bodies to follow. You should also make yourself familiar with <u>The Teal Book</u>, Government Project Delivery's code of practice for project delivery, and any further guidance and requirements set by Net Zero Buildings and Industry Portfolio.

Time commitment and tenure

This role will require 30% of your time to enable effective delivery of the role and execute your responsibilities in full. This is in addition to the 20% of your time committed to HUG2, which closes in September 2025. Since you are also the SRO for HUG and have Corporate and Directorate Policy responsibilities, we need to adjust this allocation to ensure all areas receive adequate attention.

Therefore, we propose the following time allocation:

- 20% for HUG
- 30% for SHDF/WH:SHF
- 30% for WH:LG
- 20% for Corporate and Directorate Policy

You are required to undertake this role until achievement of programme closure, planned for September 2028. 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 National Infrastructure and Service Transformation Authority consent.

Objectives and performance criteria

The policy intent supported by Warm Homes: Local Grant is to provide energy performance upgrades and low carbon heat through local authorities to low-income households in England who are at risk or living in fuel poverty and will not have the financial means to self-fund these measures. Warm Homes: Local Grant will deliver progress towards Net Zero 2050 and the Carbon Budgets.

Any proposed changes to scope which impacts on this intent or the realisation of benefits must be authorised by Net Zero Buildings Portfolio Board and may be subject to further levels of approval.

The vision of Warm Homes: Local Grant is to contribute to the delivery of the government's Warm Homes manifesto commitment to upgrade five million homes this Parliament, cutting bills for families and delivering warm homes to slash fuel poverty. This ambition is a key part of the Government's 'second mission' to transform Britain into a clean energy superpower. The objectives of Warm Homes: Local Grant are to:

- Deliver progress towards the statutory fuel poverty target for England, by improving as many fuel-poor homes as reasonably practicable to energy efficiency rating of Band C by 2030.
- Deliver progress towards Net Zero 2050, and the Carbon Budgets, by installing energy performance upgrades and low carbon heating in homes that drive carbon abatement.

Your personal objectives and performance criteria, as enshrined in the latest WH:LG business case, are to deliver the following to agreed time, scope and cost parameters:

- Tackle Fuel Poverty: Upgrade 25,100 39,800 low-income homes to EPC band C to help meet the statutory fuel poverty target of Band C by 2030.
- Achieve Bill Savings: Reduce energy bills for low-income households receiving upgrades by an average of £300 - 400 per annum
- Achieve carbon savings (to progress net zero): Contribute carbon abatement of 0.04 0.05 MtCO2e to Carbon Budget 4, 0.09 0.11 MtCO2e to Carbon Budget 5 and 0.08 0.10 to Carbon Budget 6 and contribute 0.13 0.16 TWh/year to reduction in energy demand, over the period between 2025 to 2069.
- Decarbonise Homes: Support the housing stock's transition to clean heat by installing upgrades in 27,400 43,600 homes and installing 2,600 4,200 low-carbon heat pumps.
- Support Economic Growth: Support an expected 3,000 jobs per annum throughout England, driving economic opportunity in all regions. The scheme will further develop the retrofit and low-carbon heat supply chains, supporting the low-carbon business growth needed to deliver net zero.

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 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 <u>Managing Public Money</u>. In addition, you must be mindful of, and act in accordance with, the specific HM Treasury delegated limits and Cabinet Office controls

relevant to Warm Homes: Local Grant. Information on these controls can be found here: <u>Cabinet Office</u> <u>controls</u>.

Delegated authority

You are authorised to:

- approve expenditure of up to £10m CDEL, in line with the <u>Departmental Delegations Framework</u>;
- agree project rescheduling within 12 weeks of agreed milestones, but rescheduling beyond that must be agreed with Ben Rimmington; and
- recommend to Ben Rimmington and the Net Zero Buildings Portfolio Board 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 Ben Rimmington and the Net Zero Buildings Portfolio Board.

Appointments

You should appoint a full-time programme director to support you in the management of Warm Homes: Local Grant 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 Warm Homes: Local Grant, 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 DESNZ Portfolio and Investment Committee (PIC) along with Cabinet Office and HM Treasury. 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.

You are responsible for providing assurance to the accounting officer and relevant oversight bodies that the Environmental Principles Policy Statement legal duty has been considered by ministers in policy decision underpinning the programme.

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 Net Zero Buildings and Industry 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 National Infrastructure and Service Transformation Authority.

Warm Homes: Local Grant 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 National Infrastructure and Service Transformation 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 National Infrastructure and Service Transformation 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 programme will be published annually by the National Infrastructure and Service Transformation Authority.

As the SRO for a programme that is within scope of the Clean Energy Superpower Mission (CESM), you are additionally required to report, via relevant net zero portfolio / sector boards and the Net Zero Directors governance forum, into the CESM governance structure as part of the Accelerating to Net Zero pillar of the Mission.

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.

You are also responsible for registering all planned, live and completed evaluations on the Government Evaluation Registry. Guidance on using the evaluation registry is available on GOV.UK.

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 Department for Energy Security and Net Zero 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 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 Warm Homes: Local Grant and will set clear guidance, requirements and standards, which align to the <u>Government Functional Standard on Project Delivery</u>, 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 National Infrastructure and Service Transformation 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 Net Zero Buildings and Industry portfolio, the Net Zero Buildings 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,

JEREMY POCKLINGTON

Permanent Secretary

Department for Energy Security and Net Zero

ferong Portlingon

KARINA SINGH

Director, Function, Insight & Professions

National Infrastructure & Service Transformation 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.

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Selvin Brown

16/06/2025