

To: Selvin Brown, Senior Responsible Owner for the Warm Homes: Social Housing Fund (WH:SHF) Project Identifier: DPO-2389

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

07/04/2025

Dear Selvin,

# APPOINTMENT AS SENIOR RESPONSIBLE OWNER (SRO) FOR THE WARM HOMES: SOCIAL HOUSING FUND

We are writing to confirm your appointment as Senior Responsible Owner (SRO) of the Warm Homes: Social Housing Fund, which forms part of the Social Housing Decarbonisation Fund, for which you have been SRO since October 2020. This letter sets out your responsibilities and the support you can expect from your Department and the National Infrastructure & Service Transformation Authority.

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

Warm Homes: Social Housing Fund forms part of the Net Zero Buildings Directorate, under the oversight of the Chair of the Net Zero Buildings Portfolio Board and is included in the Government Major Projects Portfolio (GMPP).

You have personal responsibility for the delivery of the Warm Homes: Social Housing Fund 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 the Social Housing Decarbonisation Fund Wave 2.1 and 2.2. 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 the Warm Homes: Social Housing Fund and Social Housing Decarbonisation Fund Wave 2.1 and 2.2 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: Social Housing Fund and Social Housing Decarbonisation Fund Wave 2.1 and 2.2.

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 your programme 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 the Net Zero Buildings Portfolio.

#### Time commitment and tenure

This role will require 30% of your time to enable effective delivery of the role and to 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 & Service Transformation Authority consent.

## Objectives and performance criteria

The policy intent supported by the Warm Homes: Social Housing Fund is improving the energy performance of social rented homes. WH:SHF will upgrade a significant number of the c. 1.2 million social homes currently below EPC band C to at least that level of energy efficiency or higher, as a positive step on the pathway to the achievement of Net Zero by 2050.

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 the Warm Homes: Social Housing Fund is to play a critical role in the UK's aim to achieve Net Zero by 2050, by decarbonising a significant number of social homes; alleviating fuel poverty, lifting many households out of fuel poverty, reducing household bills and providing warm, comfortable homes for social housing tenants; and drive transformational change across the domestic retrofit sector by providing a long-term investment, building retrofit capabilities and skills, and facilitating innovation by social housing landlords across England.

Its objectives are to:

- Tackle Fuel Poverty: Reduce the numbers in Fuel Poverty, ensuring that there is no increase in fuel bills. Wave 3 is estimated to treat 112,000 127,000 homes with no increase in fuel bills, of which between 57,000 64,000 homes would have been in fuel poverty (representing between 10% 11% of current fuel-poor social homes taken out of fuel poverty).
- Deliver **affordable**, **warm**, **energy efficient** homes, with a greater proportion of all social homes reaching EPC C. WH:SHF Wave 3 is estimated to treat a range between 112,000 127,000 homes. At Wave 3, between 101,000 115,000 of these homes are estimated to reach EER C.
- Increase the **retrofit supply chain** capability and capacity to help meet the challenge during and beyond the WH:SHF to achieve Net Zero by 2050.

- **Reduce carbon emissions** from Social Housing in CB4 and CB5. WH:SHF Wave 3 is estimated to deliver between 0.29 0.32 MT CO2e of Carbon savings (in CB5, including both traded and non-traded carbon savings).
- Develop the **Green Economy** and support **associated jobs**. Wave 3 is expected to continue to support the Green Economy and support around 9,100 jobs.
- Improve the **comfort and wellbeing** of social housing tenants against the baseline of data on tenant health and wellbeing pre-installation.
- Develop retrofit innovation for the broader benefit of the housing sector and bolster social housing landlord's delivery capability.

Your personal objectives and performance criteria which relate to the Warm Homes: Social Housing Fund are ensuring projects within the programme meet the following stated outcomes, as enshrined in latest business cases, to agreed time, scope and cost parameters:

- SHDF Wave 2 has modelled benefits of energy efficiency upgrades to around 101,591 homes, delivery of carbon savings, supporting green jobs, driving private investment and cutting household bills. The scheme is in delivery from March 2023 to March 2025.
- The Warm Homes: Social Housing Fund Wave 3 has modelled benefits of energy efficiency upgrades to between 112,000 to 127,000 homes and the scheme is planned for delivery of grant funding from April 2025 to April 2028.

## **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 <u>Treasury Approval Point</u> 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 the Warm Homes: Social Housing Fund. Information on these controls can be found here: <u>Cabinet Office 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/programme rescheduling within tolerances set 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 you must operate within.

If issues arise which take you outside of these authority limits and which you are unable to resolve, you are responsible for escalating these issues to Ben Rimmington and the Net Zero Buildings Board.

# **Appointments**

You should appoint a full time Programme Director to support you in the management of the Warm Homes: Social Housing Fund 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: Social Housing Fund, including the establishment and continued operation 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 Project Investment Committee (PIC) and HMT. 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. <u>Guidance on completing accounting officer assessments</u> 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 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 & Service Transformation Authority.

## Warm Homes: Social Housing Fund status, reporting and transparency requirements

The programme status at the date of your appointment is reflected in the most recent quarterly return on the Warm Homes: Social Housing Fund to the National Infrastructure & Service Transformation Authority and is the agreed position as you assume formal ownership of the programme, noting Warm Homes: Social Housing Fund (WH:SHF) will continue to report as part of the existing Social Housing Decarbonisation Fund (SHDF) quarterly GMPP report submitted to the National Infrastructure & Service Transformation Authority.

You are responsible for ensuring the honest and timely reporting on the position of the programme to the National Infrastructure & Service Transformation Authority while it remains on the GMPP and for providing reports and information to the Net Zero Buildings 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 programme will be published annually by the National Infrastructure & 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. <u>Guidance on using the evaluation registry</u> 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 DESNZ 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 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 the Warm Homes: Social Housing Fund, 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 learnt 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 & 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 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 wish you every success in your role as SRO.

Yours sincerely,

Jerony Porklington

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## **Jeremy Pocklington**

Permanent Secretary, Department for Energy Security and Net Zero

# **Karina Singh**

Director, Function, Insight & Professions, National Infrastructure and Service Transformation Authority

## CONFIRMATION OF ACCEPTANCE OF APPOINTMENT

I confirm that I accept the appointment of Senior Responsible Owner for the aforementioned programme, including my personal accountability for implementation, as set out in the letter above.

Selvin Brown, Department for Energy Security and Net Zero

16/06/2025