



Department  
for Work &  
Pensions



Cabinet Office

To: Jon Fundrey, Senior Responsible Owner  
for the Fraud Error and Debt Programme

Date: 24 March 2015

From: Robert Devereux, Permanent Secretary, Department for Work and Pensions  
David Blackall, Acting Chief Executive, Major Projects Authority

### **Appointment as Senior Responsible Owner for the Fraud, Error and Debt Programme**

We are writing to formalise your appointment as the Senior Responsible Owner for the Fraud, Error and Debt Programme, with effect from 28 July 2014. You will be directly accountable to the DWP Accounting Officer, under the oversight of the Minister for Disabled People. This will be a part time role.

As SRO you are personally responsible for delivering the Programme. You will be held accountable for delivering its objectives and policy intent; for securing and protecting its vision, for ensuring that it is governed responsibly, reported honestly, escalated appropriately and for influencing constructively the context, culture and operating environment of the programme.

In addition to your internal accountabilities, you should also be aware that SROs will now be held personally accountable to Parliamentary Select Committees. You will be expected to account for, and explain, decisions and actions you have taken to deliver the Programme or specific milestones within the delivery plan. This means that from the date of the signature of this letter you will be held personally accountable for the delivery of the Fraud, Error and Debt Programme and could be called by Select Committees to provide evidence to account for and explain the decisions you have taken.

It is important to be clear that your accountability relates only to implementation. It will remain for the Minister to account for the relevant policy decisions and development.

Detailed guidance on SRO roles and responsibilities is attached at Annex 1. You should follow that guidance and also ensure that you understand the guidance

“Giving Evidence to Select Committees – Guidance for Civil Servants”<sup>1</sup> and make yourself aware of the Major Projects Authority guidance on the management of major projects<sup>2</sup>.

## **Programme Status**

The Programme Status at the date of your appointment is reflected in the most recent quarterly return on the Programme to the Major Projects Authority. This is the agreed position as you assume formal ownership of the programme.

## **Tenure of Position**

You will be expected to remain within this role until the end of the Programme, which is planned for March 2017.

## **Objectives and Performance Criteria**

The Fraud, Error and Debt Programme aims to deliver into the Department the means to prevent fraud and error in the first instance; detect and correct fraud and error where it does exist; deliver tough punishments for those who defraud the system; and deter those who would try to abuse the system in future.

The objectives of the Programme are to:

- Save approximately £2 billion in welfare benefit expenditure by the end of the 2014/15 financial year.
- Contribute to the Department’s target to reduce the level of benefit expenditure overpaid to a maximum of 1.7 per cent by 2015.
- Deliver a single fraud investigation service as a more efficient way of carrying out benefit fraud investigations currently processed separately by DWP, HMRC and Local Authorities.
- Introduce the capability for a range of business users across DWP to access HMRC Real Time Information on earnings and employer data;
- Deliver a referral and case management system to support improved Fraud, Error and Debt Operations.
- Enable the Government to recover greater levels of debt, and ensure those who move off benefit can still be liable for their debt.

The Programme is adopting a phased delivery approach between 2012 and 2017 and will continue to build on the successful "Spend to Save" data matching activity which is well underway to ensure a sustainable reduction in losses in the benefit system. The Programme generated £1.8 billion in savings up to the end of September 2014, and will realise further savings through the life of the programme business case.

Proposed changes to the project scope which impact on this intent or benefits realisation must be authorised by the Accounting Officer, who may delegate his

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<sup>1</sup>[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/364600/Osmotherly\\_Rules\\_October\\_2014.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/364600/Osmotherly_Rules_October_2014.pdf)

<sup>2</sup><https://www.gov.uk/government/policy-teams/major-projects-authority>

decision-making authority to DWP's Portfolio Management Committee, and may be subject to further levels of approval. You are also responsible for recommending to the Accounting Officer the need to either pause or terminate the project, where necessary and in a timely manner.

### **Extent and Limit of Accountability**

The whole life cost budget for this programme is as per the latest approved business case.

Her Majesty's Treasury spending controls will apply, as set out within the Accounting Officer's letter of delegated authority. Where the Programme exceeds the delegated authority set by HMT, the Treasury Approval Point process will apply and the details of each approval process must be agreed with the DWP's HMT spending team.

You should note in particular that where 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 project exceeds the delegated authority set by HMT.

You should ensure that you operate at all times within the rules set out in Managing Public Money.<sup>3</sup>

In addition you must be mindful of and act in accordance with the specific Treasury delegated limits and Cabinet Office controls relevant to projects.<sup>4</sup>

### **Major Projects Leadership Academy**

As the SRO of a Government Major Projects Portfolio Programme, you are required to attend the Major Projects Leadership Academy, which we understand you are currently undertaking as part of Cohort 13.

Following graduation from the MPLA, we will both expect and support you to continue your on-going professional development, and will encourage you to take an active part in MPLA alumni activities. On graduating, you will also become a recognised, accredited MPA reviewer and as such will be expected to lead or participate in such reviews for other Government Departments, the wider public sector and other areas of the Department for Work and Pensions as appropriate.

You will be required to participate in such reviews at least once every 12 months to maintain your accreditation.

We would like to take this opportunity to wish you success in your role as SRO for the Fraud, Error and Debt Programme.

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<sup>3</sup> <https://www.gov.uk/government/publications/managing-public-money>

<sup>4</sup> <https://www.gov.uk/government/publications/cabinet-office-controls/cabinet-office-controls-guidance-version-40>

Yours sincerely,

Robert Devereux  
Permanent Secretary  
Department for Work and Pensions

David Blackall  
Acting Chief Executive  
Major Projects Authority

I confirm that I accept the appointment including my personal accountability for implementation of the Programme detailed in the letter above.

Name of SRO: Jon Fundrey

Signature of SRO: Signed and returned by Jon Fundrey on 24 March 2015

## **Senior Responsible Owner Role and Accountabilities**

### **The role of the SRO**

You are personally accountable for ensuring the on-going delivery of the Fraud, Error and Debt Programme. You are responsible for ensuring that the related implementation and transition activities realise the agreed objectives and benefits. You will be personally accountable to the Parliamentary Select Committees and be expected to explain the decisions and actions you have taken. This could include where a Minister has intervened to change the programme during the implementation phase in a way which has implications for the cost and/or timeline of implementation. You will be able to disclose your advice about any such changes.

You must ensure the effectiveness of the governance, assurance and project management arrangements and maintain them through the life of the programme. You should adopt best practice and be prepared to justify any deviation from it, in line with the guidance published by the Cabinet Office.

### **An SRO will:**

- Be a visible, engaged and active programme leader, not a figurehead;
- Ensure that the agreed outcomes and benefits are deliverable;
- Create an open, honest and positive culture committed to delivering at pace;
- Challenge senior officers and Ministers when appropriate and escalate quickly;
- Provide appropriate support, steer and strategic focus to the Programme Director and ensure that they have a clear and current letter or appointment; and
- Have sufficient time, experience and the right skills to carry the full responsibilities of the role.

### **Specific SRO accountabilities**

#### **Ensure the programme is set up for success**

- Ensure that the programme is set-up to make an unambiguous and demonstrable link to strategic policy;
- Translate the policy intent into clear deliverables which are established and agreed with senior stakeholders;
- Carry out robust and commercially viable options appraisal, which balances the risk with opportunity, as part of initial programme/project feasibility;
- Establish a firm business case for the programme during the initiation/definition phase and ensure that any planned changes continues to be aligned with the business;
- Identify and secure the necessary investment for the business case (this includes both budget and operational resource);

- Design and implement robust, appropriate and transparent project governance; build strong and effective relationships with key stakeholders, justifying their trust and retaining their confidence, and obtain commitment to benefits realisation.

### **Ensure that the programme meets its objectives and that the projected benefits are deliverable**

- Gain agreement to the programme objectives and benefits amongst stakeholders, including Ministers where appropriate;
- Understand the broader government perspective and its impact on the programme;
- Ensure the strategic fit of the programme's objectives and benefits, taking appropriate action where necessary to ensure their successful delivery.

### **Develop the programme organisation and plan**

- Ensure that there is a coherent organisation structure and appropriately detailed programme plan;
- Build the right team, securing necessary resources and skills and providing clear lines of accountability;
- Provide appropriate support, steer and strategic focus to the Programme Director.

### **Monitor and take control of progress**

- Monitor and control the progress of the programme at a strategic level, being honest and frank about project progress, risk and issues;
- Ensure that any changes to agreed programme benefits are flagged appropriately within programme governance and that the business case is updated accordingly (throughout the programme's life-cycle);
- Ensure that the integrity of the project is maintained and speak truth to power – including to Parliamentary Select Committees;
- Communicate effectively with senior stakeholders regarding programme progress and provide clear, appropriate and delivery-focused decisions and advice to the Programme Director.

### **Ensure problem resolution and referral processes are appropriate and effective**

- Identify, understand and drive the successful mitigation of programme risks;
- Escalate serious issues quickly and with confidence to senior management and/or Ministers;
- Develop strong and effective engagement between programme teams and its stakeholders and sponsors;
- Ensure the communication processes are effective and that the programme's objectives and deliverables continue to be consistent with the organisation's strategic direction.

### **Ensure that the programme is subject to review at appropriate stages**

- Recognise the value of robust programme review and ensure it occurs at key points in the programme's lifecycle, particularly at the pre-initiation (feasibility) and initiation stages;
- Make certain that any recommendations or concerns from reviews are met or addressed in a timely manner;
- In the event of a "red" or "amber-red" review or "amber" quarterly GMPP review rating, you should ensure that the Permanent Secretary has been made aware of the situation and briefed accordingly.

### **Manage formal programme closure**

- Formally close the programme and ensure that lessons learned are documented with the final evaluation report and disseminated to stakeholders;
- Ensure that the post implementation review takes place and that the output is communicated to appropriate stakeholders;
- Ensure a plan for both long term benefits realisation and on-going sustainability is agreed with key stakeholders as part of the process of moving to business as usual.