

Sustainable Warmth Project: Project Board Terms of Reference

Document Details:

Project	Sustainable Warmth Project
Project Sponsor	Mark Parkinson
Purpose	To provide a term of reference for the management of the project board for the Sustainable Warmth Project.
Grant Authority	The Department for Business, Energy and Industrial Strategy
Chair	Project Sponsor
Version	2
Produced by	Scott Matthews
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Version and Approval History:

Version	Date	Purpose / Change	Produced by	Approved by	Date
0.1	Sep '22	First Draft	S Matthews	Project Lead	14 Oct
0.2	Oct '22	Second Draft with comments from Project Lead	S Matthews	Project Lead	
0.3	Nov '22	Final Draft for issue to Sponsor	S Matthews	Project Lead	01 Nov
1	Nov '22	Signed off with Sponsor	S Matthews	M Parkinson	15 Nov
2	Dec '22	Updated with SW Project Board Feedback	S Matthews	R Hall	15 Dec

1. Project Background

The [Sustainable Warmth Competition](#) is a single funding opportunity bringing together two fuel poverty schemes. Through which, Government aims to save households money, reduce fuel poverty, cut carbon and support the aims of the Prime Minister's 10 Point plan for a [Green Industrial Revolution](#). The Competition provides funding to upgrade homes both on and off the mains gas grid and is comprised of £286.8m for low-income households heated by mains gas through a third phase of LAD and up to £152.2m for low-income households off the gas grid; the HUG Phase.

The Competition will provide funding to improve low energy performance in England by installing Eligible Measures. Upgrades delivered through the Sustainable Warmth Competition should be completed by the delivery deadline of 31 March 2023.

Failure to effectively control delivery in previous projects, including failure to deliver adequate installations prior to the mid-term review point resulted in a significant level of funding being returned to BEIS as the Sponsoring Department. If current forecasts for September, October and November are not met, further funding will be reclaimed by BEIS.

2. The role of the Project Board

It is essential the Project Board carries out regular monitoring of the project including project milestones, project outputs, and project risks for the Sustainable Warmth Project. The Project Board will serve as a forum to assess if the Project remains within the agreed tolerances and scope and to give the project a clear steer when decisions are required and/or need to be escalated within the governance structure.

Ultimately the Project Board is responsible for making sure that delivery is taking place, is monitored, and is maximised.

The board will have decision-making abilities in line with the delegation agreed in the constitution, the Memorandum of Understanding with BEIS and, core CPCA documentation.

3. Project Drivers

A key driver is to raise the energy efficiency rating of low-income and low EPC rated homes (those with D, E, F or G). This funding will also support low-income households with the transition to low-carbon heating. The expectation is that the competition will deliver the following outcomes¹:

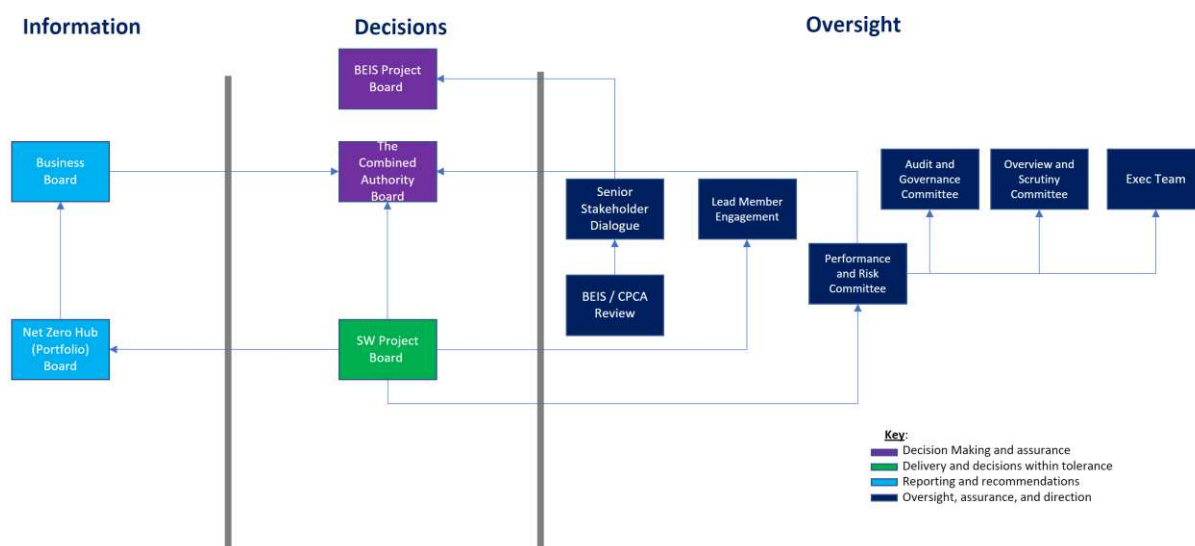
1. Tackle fuel poverty by increasing low-income homes' energy efficiency rating while reducing their energy bills –a key principle of the Sustainable Warmth: Protecting Vulnerable Households in England Strategy 2021.
2. Deliver cost effective carbon savings to carbon budgets and progress towards the UK's target for Net Zero by 2050.
3. Support clean growth and ensure homes are thermally comfortable, efficient, and well-adapted to climate change.

¹ As stipulated in the SWC HUG1 & LAD3 MOU: BEIS and the CPCA (signed 19.11.21)

- Support economic resilience and a green recovery in response to the economic impacts of Covid-19.

4. Sustainable Warmth Governance

The Project Board is a forum to assess if the Project remains within the agreed tolerances and scope and to provide unified direction to the project and Project Manager. It informs the Project Sponsor to ensure decisions are made or escalated within the governance structure.



5. Role, Responsibilities and Accountabilities

The project board is expected to fulfil the following functions:

Accountable for:

- The success of the project as delegated by the CPCA Board through the Greater South East Net Zero Hub

Responsible for:

- Effective governance and project controls
- Ensuring Project outputs are planned, monitored, and recognised
- Ensuring the project remains viable, deliverable, and desirable
- Ensuring project progress is managed effectively and outputs are maximised
- Facilitating cross functional integration across the project
- Requesting the necessary resources to deliver the project
- Confirming project tolerances within the Sponsor's thresholds
- Ensuring effective decision making
- Managing risks, issues, changes, and exceptions
- Management of Gateway Reviews

Performance, fraud, and reporting:

- Manage and report progress against plan and forecast
- Manage finance actuals vs forecast
- Ensuring a robust fraud risk assessment in place, with mitigating counter fraud actions
- Managing fraud prevention and associated activities as set out in the plan

Escalations received:

- Receiving Early Warning Notifications
- A change requires a decision at the Project Board or needs approval for further escalation

- Escalated risk

Decisions and approvals:

- Decisions on escalated issues
- Approving project change within project tolerance, or escalating to committee or board
- Identifying RAG changes (to be signed off by the sponsor)
- Approving the plan and associated resources

Communications and Support:

- Providing direction and support to the Project Delivery Team
- Ensuring there is a communications plan and effective communication is taking place
- Providing the cascade of information from more senior governance forums

6. Quorum requirements and decision making

A minimum of the following must be present for decisions to be made:

- Project Sponsor
- 5 of the consulted members

Decisions will be made within the following tolerances:

Receives Escalations	Escalates when	Delegated Authority
<ul style="list-style-type: none"> • All project level risks that cannot be treated / mitigated in lower-level forums • Portfolio / corporate level risk identified in lower-level forums • Change control which requires a Project Board Decision • Decisions that require Project Board approval • Ratification of decisions required at high level forums 	<ul style="list-style-type: none"> • All corporate level risk that cannot be resolved or mitigated (to the CA Board and PARC) • All project level risk that cannot be treated / has an impact outside of the agreed 30% budget tolerance for risk (to the CA Board & PARC) • Portfolio level risk that cannot be resolved to the Net Zero Hub • Reputational risk (to PARC, lead member and CPCA board) • Decisions that cannot be made at the project board 	<ul style="list-style-type: none"> • Change control decisions within risk tolerance (30% of total budget) • Changes to timeline • Ability to accelerate spending • CapEx decisions up to £15m (requires decisions to be discussed with the Lead Member, Finance team and CA Board) • RevEx decisions up to £0.5m • Management of the project • Management of project level risk (up to 30% of total budget)

Decisions will be made in line with the following rules:

- Board members will be consulted where a decision is required
- The Project Sponsor is responsible for all decisions

7. Inputs, Outputs and Secretariat

Inputs and outputs can be found in the following table.

Inputs	Outputs
<ul style="list-style-type: none"> Highlight report including: <ul style="list-style-type: none"> Project Plan / milestones Project finances RAID Communications activity, Commercial management activity Change Requests Escalated Risks, Issues, Dependencies Items for discussion (when requested) 	<ul style="list-style-type: none"> Minutes and actions Items to report to CA Board (monthly) Change Request escalations and approvals Monthly finance approved

The secretariat will be responsible for issuing the meeting invites.

The secretariat will issue papers no later than 3 working days prior to the meeting.

The secretariat will issue minutes and actions within 5 working days of the meeting.

The standing agenda will include, but not be limited to:

- Minutes and actions from previous meeting
- Highlight report discussion
- AOB

8. BEIS Engagement, Escalation and Cascade

Items that have escalated from LA's (via EEPM's) will be discussed between the SW project team and the BEIS project team at the regular fortnightly meeting slot or escalated directly to the BEIS project team by email.

Items discussed at the SW Project Board meeting that require further discussion with BEIS will be raised at the fortnightly meeting between the project team and BEIS or escalated directly to the BEIS project team by email.

Items discussed at the SW Project Board meeting that require a change from BEIS will have a change request raised by the SW Project team and submitted to BEIS for consideration at their programme board.

When required items may be discussed at meetings between the

- SW Project Lead and the BEIS Deputy Director, and / or:
- SW Sponsor and the BEIS SRO and Minister

These meetings are scheduled as required and usually relate to changes to the overall scale or scope of the scheme.

Cascade of information relating to BEIS engagement will be provided to project board members as part of the highlight reporting process.

9. Membership

The project board is made up of representatives from the CPCA, the GSE Net Zero Hub and the Consortia Leads. Specialists can be invited for specific Board items.

Board members are expected to make effective challenge on progress, methodology and the outputs of delivery. The chair should ensure all members feel their voice is heard and seek to ensure proactive collaboration is taking place.

All voting members are expected to have the delegated authority to make decisions on behalf of their organisations. The Sponsor is the ultimate decision maker within the Project structure.

Where a board member cannot attend it is expected that they inform the chair and a delegated representative attend on their behalf.

Role	Organisation	Name	Consulted Member
Project Sponsor (chair)	CPCA	Mark Parkinson	Y
GSE Net Zero Hub Lead	CPCA	Maxine Narburgh	Y
CPCA Project Lead	RH Consulting	Richard Hall	Y
Consortia Lead – Bedfordshire	Luton Borough Council	Shabir Hussain	Y
Consortia Lead – Berkshire	RBWM	Hayley George	Y
Consortia Lead – Buckinghamshire	Buckinghamshire	Alexander Beckett	Y
Consortia Lead – Essex	Southend	Jo Gay	Y
Consortia Lead – GLA	LB Havering	Nick Kingham	Y
Consortia Lead – Hampshire	Test Valley	Helen Taylor	Y
Consortia Lead – Hertfordshire	Hertfordshire Climate Change and Sustainability Partnership	Helen Burrige	Y
Consortia Lead – Kent	Thanet District Council	Eve Lockton-Goddard	Y
Consortia Lead – Northamptonshire			Y
Consortia Lead – Oxfordshire			Y
Consortia Lead – Surrey	Surrey County Council	Carolyn McKenzie	Y
SW Programme Manager	CPCA	Chris Bailey	N
EEPM's	CPCA	Clare Watters, David Crookes, Dipna Pattni	N
Project Finance Lead	CPCA	Esther Fadahunsi	N
PMO Representative (optional)	CPCA	Chris Bolton	N
Procurement Lead (optional)	CPCA		N

Stakeholder Engagement Manager	CPCA	Dawn Murphy	N
Secretariat	CPCA	Erica Sutton	N

10. Meeting Frequency

The board will meet monthly.

11. Common Project Acronyms

Acronym	Translation
BEIS	Business, Energy & Industrial Strategy
CPCA	Cambridgeshire & Peterborough Combined Authority
DPS	Dynamic Purchasing System
DSA	Data Sharing Agreement
ECO	Energy Company Obligation
EEPM	Energy Efficiency Project Manager
EPC	Energy Performance Certificate
FP	Framework Provider
GFA	Grant Funding Authority
GLA	Greater London Authority
GSENZH	Greater South East Net Zero Hub
HUG	Home Upgrade Grant
IAA	Inter Authority Agreement
KPI	Key Performance Indicator
LA	Local Authority
LAD	Local Authority Delivery (scheme)
MA	Managing Agent
MoU	Memorandum of Understanding
NVQ	National Vocational Qualification
PV	(Solar) PhotoVoltaic
RAG	Red, Amber, Green
RAID	Risk, Actions, Issues, Decision
SAP	Standard Assessment Procedure
SW	Sustainable Warmth
ToR	Terms of Reference