



Department
for Environment
Food & Rural Affairs

Defra Group Management Consultancy Call off Contract: Project Engagement Letter

Completed forms and any queries should be directed to Defra Group Commercial (DgC) at [REDACTED]. Please do not complete this form until you have liaised with DgC, and they have allocated you a lot to access Consultancies within and subsequent reference number.

Engagement details					
Engagement ref #	90168341				
Extension?	N	DPEL Ref.	DPEL_61538-023		
Business Area	DEFRA Group				
Programme / Project	Green Finance Senior Transition Group				
Senior Responsible Officer	[REDACTED]				
Supplier	KPMG LLP				
Title	Development of Defra Green Finance policy proposals				
Short description	Support to refine and bring forward between 5 and 8 Green Finance policy proposals under development by DEFRA Green Finance Senior Transition Group.				
Engagement start / end date	Proposed start date 27/08/2024	Proposed end date 01/11/2024			
Consultancy Spend approval reference					
Expected costs 23/24	n/a				
Expected costs 24/25	£99,490 + VAT				
Expected costs 25/26	n/a				
Dept. PO reference	Dept. PO reference # (to allow for Defra Group recharge)				
Lot #	Lot 1				
Version #	0.1				



Approval of Project Engagement Letter

By signing and returning this cover note, [Defra Green Finance division] accepts the contents of this Project Engagement Letter as being the services required and agrees for KPMG LLP to provide the services in accordance with the agreed Supplier Proposal under the overarching contract (Lot 1- Ref 28595), with Defra Group and confirms the availability of funding to support recharge for the services.

Signatures		
Supplier	Business Area	Defra Group Commercial
<div></div>	<div></div>	<div></div>
<div></div>		
Supplier engages with Business Area to complete. Once agreed, Supplier signs front page and sends to Business Area	Business Area signs front page and sends to DgC	On approval, DgC signs and returns copy to Business Area and Supplier



1. Background

Defra Group aims to increase and direct significant flows of private finance into the achievement of government's climate, environment and economic growth goals (hereafter known as 'Green Finance'). Defra's goal is to mobilise at least £500 million of private investment into nature's recovery in England every year by 2027, rising to more than £1 billion by 2030.

[REDACTED]

Defra wishes to engage a contractor with relevant expertise and track record to work with relevant policy teams to further develop, prioritise and bring forward these policy options that enable Defra to achieve its goals for Green Finance, reporting to the Senior Transition Group.

2. Statement of services

Objectives and outcomes to be achieved

Building on initial work undertaken by Defra, test and further develop at least 5 and no more than 8 policy proposals for increasing private finance into nature's recovery, including:

- a. Objective and approach: what the policy is aiming to deliver; how it would be implemented to achieve the objective, how it would deliver private finance into nature's recovery
- b. Rationale: market failure being addressed; role for government; fit with government priorities
- c. Scope: which sectors, stakeholders etc would be covered / affected, and to what extent
- d. Impact: how the measure would contribute to the objective (to deliver private finance into nature's recovery), to what extent; and within what timescale
- e. Deliverability: cost/affordability to government and others affected; barriers to implementation; dependencies and risks, including dependencies to other existing and developing proposals
- f. Evidence: reference to supporting evidence and confidence level
- g. Capability: assessment of Defra's capability to deliver the proposals, implications for capability of Defra Group and other stakeholders, and how these could be addressed

Make recommendations on proposals to be taken forward on the basis of impact and deliverability.

Set out an action plan to deliver the recommendations, including further development, implementation, resourcing and capability requirements. Action plan to consider actions for the rest of 2024/5 (with a particular focus on the 2025 Spending Review); the 2025/6 financial year; and beyond.



Department
for Environment
Food & Rural Affairs

Scope

Work with Green Finance and individual policy teams to further develop policy proposals including setting out an action plan to deliver each recommendation staged around upcoming SR timings and identifying resourcing / capability restraints.
Hold workshops (virtual and/or face-to-face) with Defra Group staff to identify links and co-dependencies between proposals and wider Defra policies.
Engage with subject matter experts from across KPMG to provide best practice insights
Desk work to carry out research and produce the outputs
Deliverable: report including prioritised policy proposals and action plan to be signed off by client.

Assumptions and dependencies

KPMG work to be completed within 6 weeks from contract signature subject to:

- timely provision by client of relevant information, including details of up to 8 policies to be provided to KPMG which will form the subject matter of study,
- availability of stakeholders and staff for meetings with KPMG,
- KPMG to provide UK and global examples of approaches to Green Finance,
- Report to be DEFRA branded and will not identify KPMG,
- KPMG not involved in development of policy concepts, KPMG advice limited to advising on aspects of the policies in terms of (Approach, Rationale, Scope, Impact, Deliverability, Evidence, Capability).

Risk management

Risk: KPMG team ability to meet with the necessary stakeholders within Client Team, Policy Teams and relevant DEFRA Group staff.

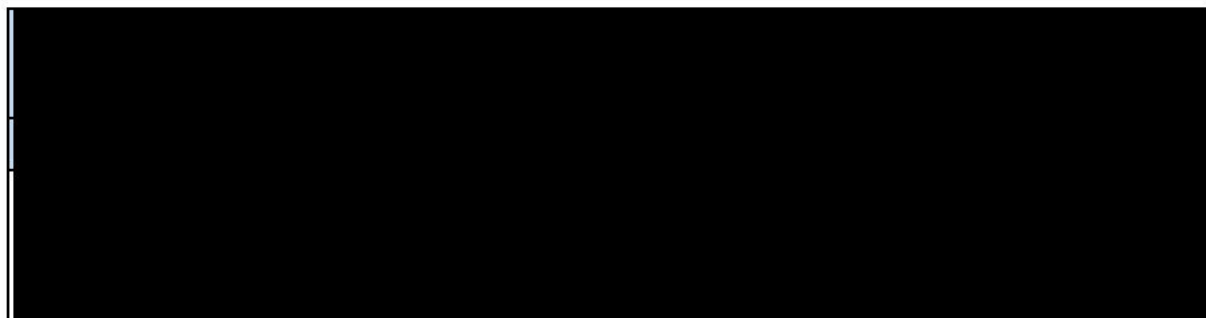
Mitigation: Client team to nominate representative and notify relevant stakeholders and staff to prioritise engagement with the KPMG team, noting criticality of output.

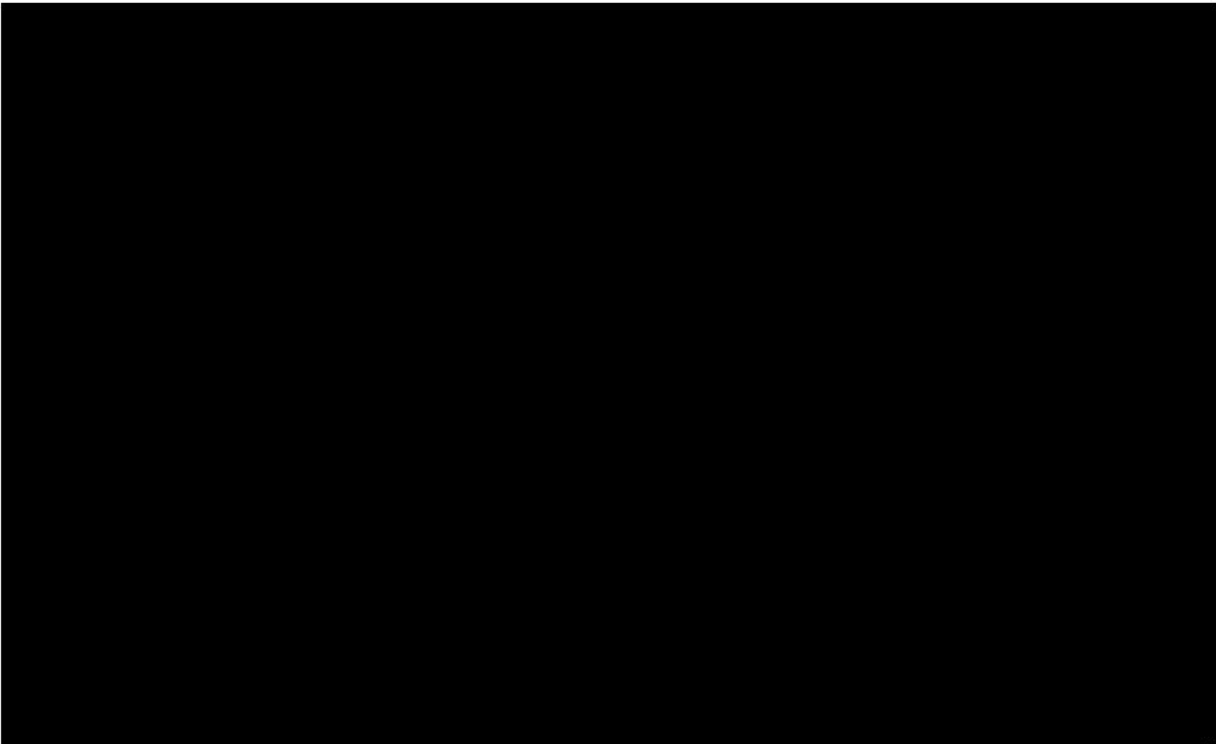
Risk: KPMG advice identifies feasibility challenges.

Mitigation: all policies notified by client to KPMG to be assessed in respect of Approach, Rationale, Scope, Impact, Feasibility, Evidence, Capability – with KPMG commentary on next steps per policy

Deliverables

Deliverable: DEFRA branded report including worked up policy proposals with recommendations and action plan to be signed off by client.





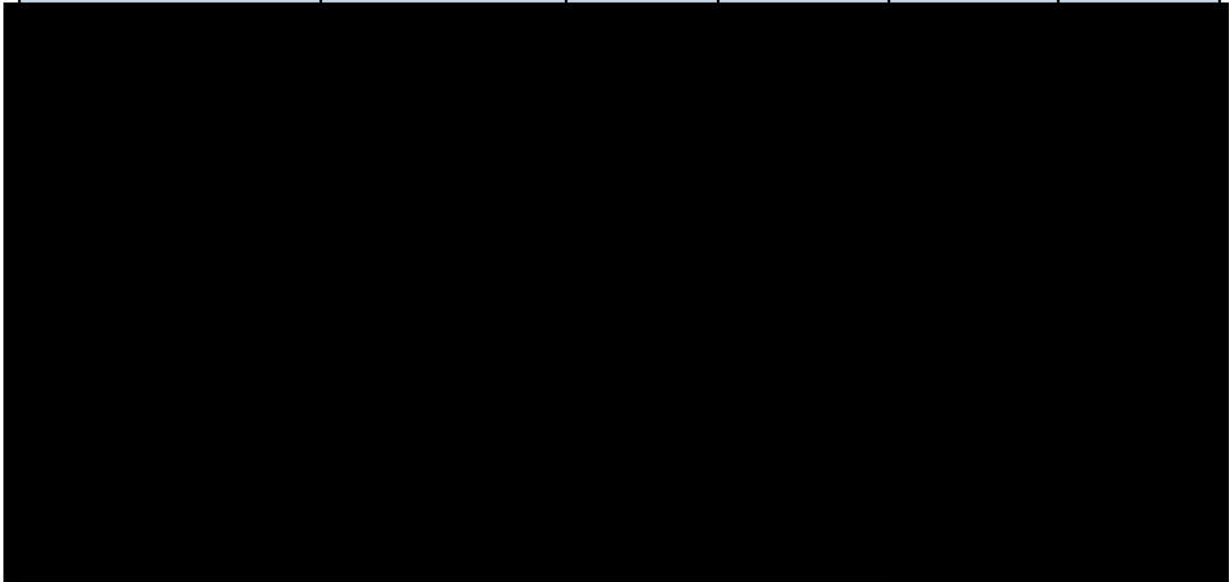
Limitations on scope and change control

Unless instructions to the Supplier are later amended in writing, the work undertaken will be restricted to that set out above. In providing the services detailed above, the Supplier will be acting in reliance on information provided by the Business Area.

The Project Engagement Letter is the agreed contract of work between the Defra Group Business Area and the Supplier and can be varied under the change control process. Any changes to timescales, scope and costs will require approval by DgC.

3. Delivery team

Name	Role (link to stage/s resource will work on)	Grade	Daily rate	# of days	Cost
------	--	-------	------------	-----------	------





*Total days worked across all resources **Total working days in engagement	
---	--

Business Area’s team

4. Fees

Defra Group will reimburse the Supplier for approved work done according to the table below. The total fees for the scope of work detailed in this Engagement Letter will be £99,602, inclusive of expenses and excluding VAT.

Stage	Cost	Due (link to milestone dates)
A		DD/MM/YY
DEFRA branded report including prioritised policy proposals and action plan to be signed off by client.	£99,400	1/11/2024
Grand total	£99,400	

Business Area considerations:

- Are the costs and fees appropriate (costs linked to deliverables, rates and drive value for money)?

Expenses statement

Defra Group overarching contract rates include expenses for any travel to/from any UK location defined by the Business Area as the base office for the work. Only expenses for travel at the Business Area’s request from this base can be charged. If appropriate, define permissible expenses to be charged.

Payment

The Supplier should invoice fees monthly in arrears. Defra Group will reimburse fees monthly on confirmation of approval of work delivered by the Business Area. The Supplier will keep an accurate record of time spent by staff in providing the services and provide this information and supporting narrative, if requested.



5. Governance and reporting

As part of the Call-Off Contract, the Supplier and Business Area agree to provide reporting on the following:

- Completion of the time tracker on a monthly basis, to track days worked by our consultants;

Key Performance Indicators

Not applicable

Feedback and satisfaction

Defra Group reserves the right to hold review meetings during the assignment, discussing what went well, opportunities for improvement on future assignments and similar. This will incorporate any 'Show and Tell' documentation or transferable products that have been produced.

A post-engagement quality review of the engagement will be arranged where the Business Area rates the services provided.

Non-disclosure agreements

Not applicable

6. Exit management

The agreed actions and deliverables by the Supplier for when the contract ends are as follows:

meeting to discuss report findings and suggested next steps. Support with scoping subsequent programme of activity
--

Notice period

The nature of these engagements require that Defra Group have the ability to terminate an engagement with notice. Defra Group's termination rights for this engagement are marked below.

The minimum notice period for termination is 5 working days regardless of engagement duration.