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Defra Group Management Consultancy Framework: Project Engagement Letter

Completed forms and any queries should be directed to Defra Group Commercial at

[REDACTED]

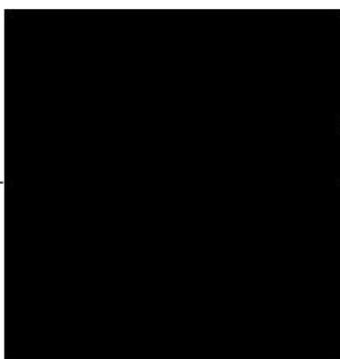
Engagement details			
Engagement ref #	DPEL_61541_071		
Extension?	N	DPEL Ref.	DPEL_61541_071
Business Area	DEFRA		
Programme / Project	tNCEA – Terrestrial Natural Capital and Ecosystem Assessment Programme		
Senior Responsible Officer	[REDACTED]		
Supplier	Methods Business & Technology Ltd (Methods)		
Title	Strategic Programme direction and PMO maturity		
Short description	<p>This DPEL will provide the tNCEA Programme with clarity in Vision, Mission and Objectives supporting programme delivery, ensuring consistent messaging and a coherent visual narrative of the purpose, delivery roadmap and benefits of tNCEA.</p> <p>It will continue to develop three key areas of the PMO- finance, planning and benefits, and will also develop a data-commissioning tool to calculate costing field survey projects for tNCEA, while also considering scales of efficiency.</p>		
Engagement start / end date	Proposed start date 11.04.2023	Proposed end date 07.07.2023	
Funding source (CDEL/RDEL)	tNCEA budget (CDEL)		
Consultancy Spend approval reference			
Expected costs 22/23	£		
Expected costs 23/24	£153,801 (plus up to a maximum of £4,615 in expenses)		
Dept. PO reference			
Lot #	Lot 3		
Version #	v1.0		



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Approval of Project Engagement Letter

By signing and returning this cover note, **Defra** accepts the contents of this Project Engagement Letter as being the services required and agrees for **Methods** to provide the services in accordance with the agreed Supplier Proposal under the overarching contract (**Lot 3 - Ref 28595**), with Defra Group and confirms the availability of funding to support recharge for the services.

Signatures		
Supplier	Business Area	Defra Group Commercial
		
06-04-2023 15:46 BST	10-04-2023 14:21 BST	11-04-2023 08:25 BST
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



General Instructions

The Engagement Letter describes the services required and provided. When completing the Engagement Letter establish the context, explain why external support is required and distinguish between the objectives, outcomes, scope and deliverables. The rationale behind the costs should be made evident in the Fees section.

The Business Area considerations are guidance notes for the customer to support their evaluation of the Engagement Letter.



1. Background

This new DPEL for the Terrestrial Natural Capital Ecosystems Assessment Programme has three main objectives. The first seeks to facilitate and enhance the strategic thinking across the tNCEA programme to develop a coherent strategic direction with an output of key products including a roadmap to deliver the vision, mission and objectives, and a more mature product catalogue aligned to a set of benefits.

This will be achieved by facilitating workshops with key stakeholders to agree a vision for the programme. We will then map the vision of the programme through to the delivery activities by using the VMOST model. The model represents a 'Pyramid of Purpose' – linking the vision of the programme down to specific activities that are needed to fulfil the vision.



The second objective is to continue to embed 4 core programme disciplines:

1. Programme Strategic Direction and Delivery
2. Programme Finance Management
3. Programme Planning/ Scheduling
4. Benefits Management

The third objective is to build a data commissioning tool, of which a proof of concept was developed in February, which can cost field survey projects for tNCEA, while also considering scales of efficiency

Outcomes and a proposed resource profile have been developed below.

2. Statement of services

Objectives and outcomes to be achieved.

Services outcomes as follows:

WP1 – Strategic Planning

- A co-designed programme vision, set of missions and business objectives using the VMOST methodology
- Provide a strategic anchor for follow-on benefits management services delivered through WP2.

WP2 - Benefits Management Service linked to the Product Catalogue



- Establishing and maintaining core benefits management artefacts sequentially and proportionately, including:
 - Continue to mature the benefits management strategy, using the existing 'scaffold', setting out how benefits management processes should be applied to optimise benefits
 - Benefits profiles for prioritised end benefits
 - Benefits realisation plan
 - Works with Programme Business Change Manager to co-design a business change roadmap to take forward core benefits management activity
 - Supporting Programme Business Change Manager and PMO to add a benefits lens to the product catalogue, and develop metrics for the outcome indicator framework

WP3- Continued Programme and PMO maturity

- Continue to mature programme planning, including onboarding the programme to project portal, setting up milestone management at project level, and milestone and scheduling reporting. Producing guidance and documentation for this process to be managed by the PMO (whilst the respective SEO role is vacant), and conducting knowledge transfer across the programme.
- Continue to mature programme finance management, including onboarding the programme to Radar in line with Defra Finance Management practice, producing guidance and documentation for this process to be managed by the PMO (whilst the respective SEO role is vacant), and conducting knowledge transfer across the programme.
- Targeted upskilling of the Programme Manager, to increase SRO confidence in the running and direction of the programme.
- Continue to action feedback from Investment Committee, following successful Business Case review including actions related to the commercial pipeline and the Accounting Officer's Assessment.
- Ensuring implementation of GIAA recommendations.
- Continued strategic direction of the programme, including further integrating the Major Projects team (DDTS) into the programme.

WP4- Data commissioning tool

- Follow up requirements gathering to establish which data variations need to be included in the tool.
- Tool co-design and co-development with data owners, PMs, and tool owners.
- Build and UAT to ensure all requirements are met.
- Training of 2 x product owners, to empower the programme to manage any future development or maintenance.

Scope

- The scope of this work is limited to the activities agreed for tNCEA within this DPEL as outlined below unless modified through formal change control processes.

Service Definition Document (SDD)



- Working document developed and agreed between the Business Area and Methods, detailing product descriptions with quality criteria, plan and project governance. This is subject to regular review through checkpoint meetings as part of ensuring delivery progress is in line with agreed DPEL requirements and outcomes. Also contains service description for client communication to wider stakeholders. See template in appendix a.
- Handover activity will occur to any incoming contingent labour resource, rather than specific knowledge transfer activity and/or ongoing training.
- Contingent labour resources are responsible for further knowledge transfer / handover / training to tNCEA staff.

Assumptions and dependencies

Assumptions

- That Methods staff will have access to key stakeholders who will engage meaningfully and promptly to provide information to support the outcomes.
- That Methods staff will have access to all key data sources as may be required to support the development of the deliverables and assess progress against the outcomes
- That clear guidance on required formats for product delivery will be provided to Methods staff.
- Methods staff will be given appropriate access to IT systems as may be required for the purposes of extracting relevant information, storing, and managing working documents and for any other legitimate purpose as may be necessary for the length of the contract.
- That all relevant stakeholders will be available as necessary for the purposes of knowledge transfer and the transfer of responsibilities, and that key topics of interest will be identified and communicated to the Methods team for this purpose.

Dependencies

- VMOST activity will be undertaken at pace, agreement with tNCEA to provide timely sessions and staff availability to allow this to be completed in line with outlined DPEL milestone dates.
- Transfer of responsibility (for PMO services) is dependent on there being tNCEA staff in place, with the capabilities to own their particular service and with sufficient time throughout the length of the engagement.
- Strong leadership of the Programme to ensure capacity and capability is built and staff are receptive to Methods knowledge transfer, coaching and able to undertake PMO activities as required for their role.

Risk management

Two layers of risk management shall be considered during this engagement:

- Risk to the service provided by Methods to the Client. These risks shall be recorded and mitigated by Methods staff and communicated to the SRO either through the regular governance structure or on an ad-hoc basis should a critical risk be raised.



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- Risk to the projects which the Methods team are supporting the Client to deliver will be managed through project level risk processes via the PMO. Mitigations will be jointly developed.

Key risks to the service delivery already identified include:

- Risk of failure to recruit or otherwise resource personnel to receive knowledge transfer and development to achieve this deliverable results in changes required to the DPEL agreed objectives and outcomes.
- Risk of a lack of agreement, leadership and ownership across the Programme causes inconsistent approaches which can delay and/or hamper the ability to deliver the DPEL objectives and outcomes.
- Risk of insufficient collaboration which can hamper the ability to deliver both the DPEL and the wider objectives and outcomes.
- Risk of Methods' recommendations regarding documentation, processes, meeting cadence etc. not being accepted by the programme which means there is a limited ability to ensure a productive project delivery environment.

A Methods Service Delivery level risk register will be produced as part of the SDD which will be shared with tNCEA so that all identified risks can be mitigated/managed appropriately.

Deliverables

Deliverable	Success Criteria	Milestone / Date (possibly sooner)	Owner (who in the delivery team?)
WP1 - Strategic Planning			
VMO(ST) Visioning Workshop(s)	2-4 day workshop with core stakeholders to hear different perspectives of the programme vision, review the existing data and plans, and co-design a vision and missions for tNCEA. Focused attention from key senior stakeholders on development of vision – 'postcard from the future' state for tNCEA Draws out agreed articulation of the priority objectives of tNCEA	26.05.2023	VMOST Lead
Vision, Missions Statement and Objectives Statement	Clearly articulated vision and objectives negotiated with senior leaders and approved by SRO. Completed VMOST mode. Feedback on current activities and how they align to the agreed vision. Provides a foundation upon which to establish effective, anchored benefits management activity	26.05.2023	VMOST Lead
WP2 - Benefits Management Service / Product Catalogue Development			
Matured Benefits Map	Provides the strategic line of sight between the vision and objective statements to the activity that will enable tNCEA to achieve them.	29.05.2023	Benefits Lead



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	Distinguishes between enabling activities, business changes, outcomes and benefits.		
Matured Benefits Profiles	For each priority benefit profile assess the availability of the following detail and contain where practicable: <ul style="list-style-type: none"> ▪ Owner ▪ Description ▪ Category ▪ Risks ▪ Dependencies ▪ Leading and lagging indicators, baseline & targets where available and appropriate 	29.05.2023	Benefits Lead
Benefits Plan	Rolls up priority benefits profiles into single benefits realisation plan. Articulates the known business changes that must be embedded to optimise the benefits of transformation	29.05.2023	Benefits Lead
Handover to Benefits Manager	All completed work handed over to Benefits Manager, including roadmap of next steps for Benefits Realisation.	30.06.2023	Benefits Lead
WP3 - Continued PMO maturity			
Planning/ scheduling	Project and Programme milestones uploaded to Project Portal	30.06.2023	Planning Lead
Planning/ scheduling	Milestone reports created to enable PMO to assure milestone movement against baseline	30.06.2023	Planning Lead
Planning/ scheduling	Process documentation and guidance created and embedded	30.06.2023	Planning Lead
Finance Management	Embedded monthly financial reporting process	30.06.2023	Finance Lead
Finance Management	Initial financial data imported into Radar system	30.06.2023	Finance Lead
Finance Management	Indicative allocations sent out to ALBs	30.06.2023	Finance Lead
Finance Management	Process documentation and guidance created and embedded	30.06.2023	Finance Lead
WP4 - Data commissioning tool			
Tool development	Data model requirements and tool requirements identified and agreed.	30.06.2023	Data Architect
Tool development	Development of data-commissioning tool in line with requirements identified in discovery.	30.06.2023	Technical Lead
Tool development	Training delivered to tool owners.	30.06.2023	Technical Lead

Limitations on scope and change control

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



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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

SERVICE	Potential Roles / (Grade equivalent)	Approx days	Daily Rate	Fees
Methods Delivery Manager	Senior Consultant	11	█	█
Programme Director	Managing Consultant	25	█	█
Finance and Planning Lead	Senior Consultant	40	█	█
Commercial pipeline Lead/ Finance and Planning Support	Senior Consultant	38	█	█
Strategic Benefits Management	Principal Consultant	20	█	█
VMOST/ Benefits support	Senior Consultant	18	█	█
VMOST Lead	Managing Consultant	13	█	█
Data Commissioning tool data architect	Principal Consultant	19	█	█
Data Commissioning tool technical consultant	Principal Consultant	32	█	█
TOTAL COST				£153,801

Total resource	
<u>Total days*</u> Engagement Length**	216/60
*Total days worked across all resources **Total working days in engagement	3.6

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 **£153,801** inclusive of expenses and excluding VAT.



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Stage	Cost	Due (link to milestone dates)
Checkpoint Review		DD/MM/YY
Progress against the outcomes and deliverables as set out in this DPEL.	██████████	05.05.2023
Completion		
Completion of all deliverables and successful outcomes as set out in this DPEL and finalisation of all knowledge transfer activity	██████████	30.06.2023
Expenses		
Where travel outside London (or agreed base location) is required, further Purchase Order cover will be agreed to reimburse at the conclusion of the work, in line with Defra expense policy. Expenses budget capped at 3% of project value, to cover only travel and subsistence to 'non-core' sites – i.e. those outside of London	██████████ ██████████ ██████████	30.06.2023-
Grand total	£153,801	

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;
- The business area, through the principal contact, will work closely and will require a minimum weekly progress report. All new risks to delivery should be reported immediately or as soon practicable

Key Performance Indicators

Business Area and Supplier to agree any specific key performance indicators related to this specific project engagement.



KPI	KPI Requirement	Description	Reporting Frequency	Who Measures	Method of Measurement	Performance Target
1.	Availability of Methods	A named delivery contact or delegate will be available to the client for discussions within and outside of DPEL content during working hours.	Ongoing for duration of DPEL	SRO or delegate, with Methods Assurance	Escalation from client team if expected behaviour is not demonstrated	Measured against DPEL & Methods Lot3 agreement.
2.	Regular checkpoints provided by Methods	Weekly reporting to ascertain delivery progress, key risks/concerns	Weekly	SRO with Methods Assurance	Regular project meetings	Measured against DPEL deliverables.
3	Delivery of agreed deliverables	Baselined plans detail agreed delivery dates. These will not be exceeded above agreed tolerance without agreement between all parties	Weekly	SRO or delegate, with Methods Assurance	Regular project meetings	Measured against DPEL deliverables.

Feedback and satisfaction

Business Area and Supplier to agree regular reporting intervals for the duration of the engagement.

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

The overarching MCF2 framework include NDAs.

It is expected that this work will be undertaken under the NDA as part of the Defra Consulting Framework. Any additional NDA agreements will need to be assessed and agreed separately.

6. Exit management

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

Knowledge Transfer:

Specific transfer outcomes will be tracked through regular reporting and evaluated through a review of completed knowledge transfer logs and reports, including sign off from individual knowledge recipients

The skills and expertise transferred back to the internal Defra team will help improve efficiency and effectiveness, and provide a framework to deliver future strategic projects



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The supplier will provide: All documents, reports, excel files, presentations
 The supplier will delete: any commercially information that is not required to be kept
 The supplier will prepare a handover note of any outstanding issues

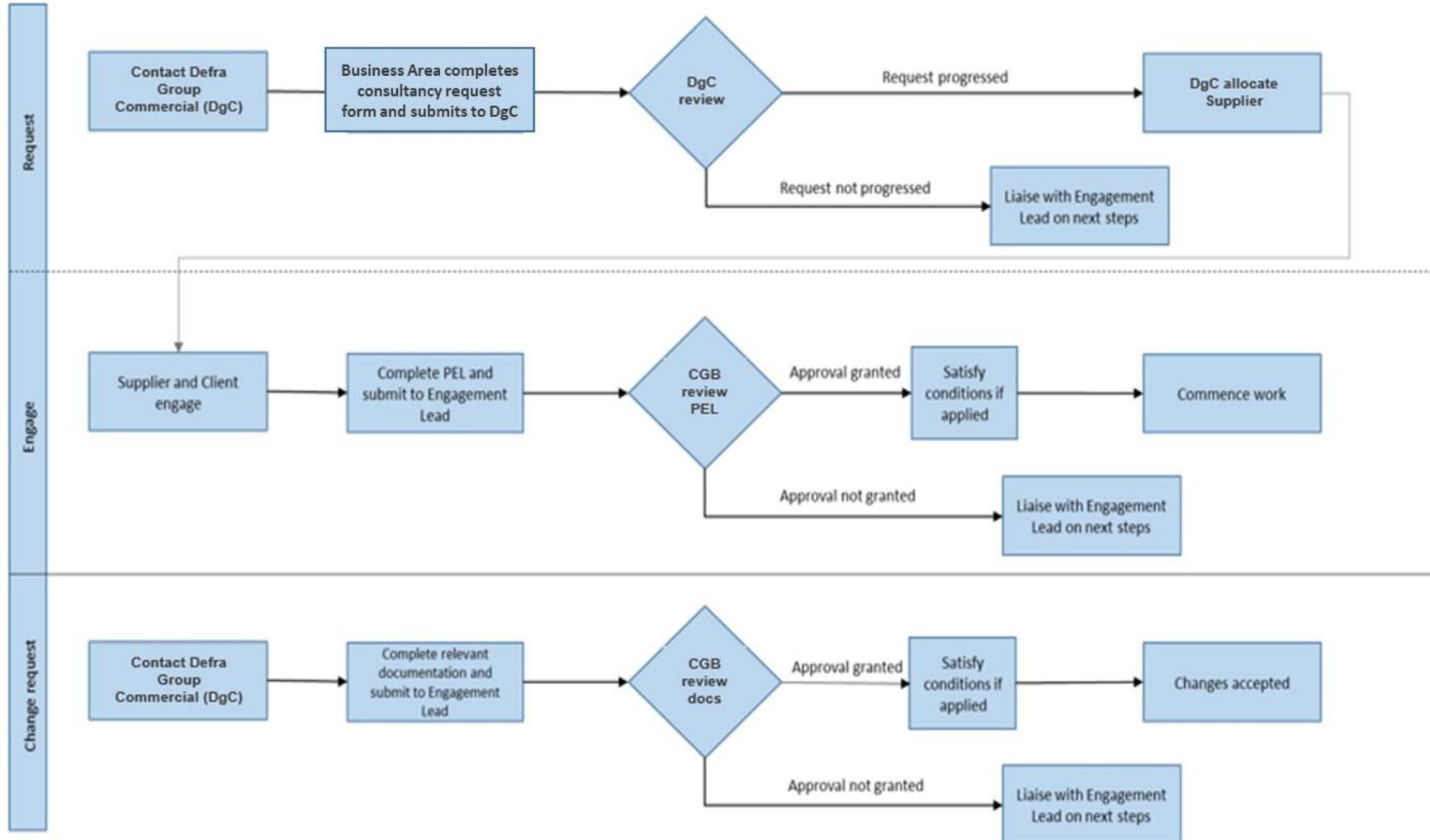
Notice period

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.

1. Business Area identifies a potential need for delivery support, initiates a conversation with DgC, confirms which approvals are required for an engagement to occur, e.g. Consultancy Governance Board if over £100k or DgC Corporate Services Delivery Board if under £100k.
2. Request Form completed by Business Area and submitted to DgC at:
 [REDACTED]
3. The form is reviewed by the DgC team around which resource route is most appropriate (e.g. Lots 1/2/3) and may request additional information/edits from the Business Area if required.
4. Lot / Supplier is selected and briefed on the request by DgC, then introduced to the requesting Business Area for further discussion and confirmation of work to be delivered
5. A Project Engagement Letter is completed by the Business Area with input from the Supplier (with supporting proposals as appropriate) and then finally agreed between the two parties, including evidence of all required approvals either being in place or being progressed (e.g. PO) and forwarded to the DgC for review by the Consultancy Governance Board (CGB). Approval states are:

Approval state	Definition	Permissions
Full approval	<ul style="list-style-type: none"> ▪ DPEL agreed ▪ DPEL signed: Supplier, Dept and CO ▪ Purchase Order number 	<ul style="list-style-type: none"> ▪ Work can start ▪ Supplier can invoice for work





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Appendix A

[Project Title]

Service Delivery Document

[Date]

Version:

Status:

Author:



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Version History

Version	Date Issued	Summary of Issue	Author

Approvals

Name	Title	Approval Date	Version

Distribution

Name	Title	Issue Date	Version



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Document Purpose

The purpose of this document is to provide a definition of the Methods managed service for the [insert project name]. The content is aligned with the contracted statement of work [insert DPEL ref] but provides more detail on the deliverables as well as describing the agreed governance for managing the service. It will serve as the key reference point for delivery of the service to ensure that expectations are aligned as to scope and composition of outputs in support of agreed outcomes. It is not the intention for this document to supersede the DPEL, but rather act as a live document that will be iterated as further details emerge with regards to the service Methods is to provide to the client.



Introduction

This section summarises the key content as defined in the associated DPEL for this piece of work, providing the background and context for this project, in addition to detailing the intended outcomes and scope of this service.

Project Background

Content for this section will be taken from the associated DPEL and adapted to accommodate different audience requirements.

Outcomes

Content for this section will be taken from the associated DPEL and adapted to accommodate different audience requirements.

Scope

Content for this section will be taken from the associated DPEL and adapted to accommodate different audience requirements.

Service Delivery Approach & Plan

This section provides a detailed overview of how Methods intends to manage the service to the client. Methods are committed to using best practice P3M principles in delivering our services to DEFRA, which are outlined in this section below in addition to defining the key roles and responsibilities assigned to the project team and providing an overview of its guiding principles of work.

Principles of Work

- **Ethical:** Methods practice ethical consultancy, by which we mean, we must add value and avoid creating client dependency. We take decisions to prioritise the best interests of the clients over our revenue opportunities.
- **Transparent:** We are transparent in the how we work, share information, decisions and outcomes.
- **Inclusive:** We work in an inclusive way and are aware and mindful of our ways of working, communication and how it may impact others.
- **Respect:** We treat everyone who works and communicates with us, with respect, empathy and are open and honest.
- **Collaborative:** We are collaborative in our approach and use a knowledge transfer mechanism to ensure we empower client teams, to take forward our work in a sustainable way.

Project Plan

Provide a high-level overview of work packages, associated project activities, and deadlines.



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Governance

Meetings/Collaboration

State meeting cadence between Methods and the client, in addition to the meeting agenda(s).

Documentation

State what documentation will be produced to support the delivery of this service, and how frequently will this be communicated (e.g. Highlight Reports).

Methods Deliverables

Deliverable	Delivery Milestone	Owner
Service		
Service Delivery Document	[Date]	[Name]
Project Closure Report	[Date]	[Name]
Work package 1		
[Title]	[Date]	[Name]

Risk Management

Methods will record and manage all risks within their control, keeping Defra up to date on any developments which may lead to issues.

Reporting will be as follows:

- Medium risks will be logged and discussed in the Project Working Group meetings.
- High risks will be escalated immediately to [name], and discussed at the next Governance Group.
- Emergency risks will be immediately flagged with [name, Methods] and [name, Client] for further discussion and action.
- Defra can request to see the full RAID log at any point.

Service Delivery Control

Change Control

Any changes to the service provided by Methods in regards to timescales, scope and costs will require approval by both DEFRA Commercial and Methods.

Escalations

All issues linked to the service delivery by Methods to the client should be raised in the first instance to the Methods Principal P3M Consultant for investigation and resolution. For any issues that requires escalation above the Service Lead, you can contact [name, Methods] or [name, Client].



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Quality Assurance

Methods will review and assure main outputs from deliverables via the Methods Assurance Lead until they are acceptable and fit for purpose before handing them to the client.



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Programme/Project Team

Insert org chart for Methods project team.

Roles & Responsibilities

The Methods team will hold the following roles and responsibilities:

The Defra client team will hold the following roles and responsibilities:

Role	Name	Responsibilities

The Defra client team will hold the following roles and responsibilities:

Role	Name	Responsibilities



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How We Help and Support

Methods will help DEFRA internal staff in increasing its internal capacity and capability to reduce the need for external resources in the future. As a recognised delivery partner, Methods is committed to supporting DEFRA to build project, programme and portfolio delivery capability and builds knowledge and skills transfer into each delivery assignment.

Our Knowledge Transfer Framework is underpinned by a set of core principles:

- **Continuous** – Start early and iterate.
- **Contextual** – Appropriately tailored using a suite of knowledge transfer tools and techniques
- **Equitable** – aimed at everyone, not just those with time or who appear more engaged
- **Varied** – multiple strategies to engage different styles and maintain interest
- **Regularly reviewed** – structured reviews on a monthly basis
- **Two-way** – always collaborative, taking account of feedback and adjusting approaches
- **Recorded** – KT logs should be transparent and accessible.

From development of initial knowledge transfer requirements through to assignment and knowledge transfer completion, and beyond, the knowledge transfer process is aligned with the delivery lifecycle. The lifecycle is expressed in the stages set out below:





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Appendices

Product Descriptions (Work Packages)

Product Name			Product Ref.		
Purpose					
Description					
Composition (if multiple elements)	Element		Acceptance Criteria		
Risk to delivery (if any)					
Outcomes					
Milestone Date					
Product Producer		Product Reviewer		Product Approver	



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Approval

The Project Senior Responsible Officer is required to sign off the Project Initiation Document.

Senior Responsible Officer	
Signature	
Date	