










Defra Group Management Consultancy Framework: Project Engagement Letter

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

Engagement details			
Engagement ref #	DPEL_61541_070		
Extension?	No	DPEL Ref.	
Business Area	Portfolio Office		
Programme / Project	Benefits Management Planning and Improvement		
Senior Responsible Officer	[REDACTED] r		
Supplier	Methods Business and Digital Technology		
Title	Strategic Benefits Management Planning – Improvement Phase 1		
Short description	Provision of services to deploy of the Strategic Benefits Management Improvement Plan		
Engagement start / end date	Proposed start date 16/10/2023	Proposed end date 28/03/2024	
Funding source (CDEL/RDEL)			
Consultancy Spend approval reference			
Expected costs 23/24	£241,455		
Expected costs 24/25	£0		
Dept. PO reference	Dept. PO reference # (to allow for Defra Group recharge)		
Lot #	Lot 3		
Version #	V0.1		

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), with Defra Group and confirms the availability of funding to support recharge for the services.

Signatures		
Supplier	Business Area	Defra Group Commercial
By:  Signature	By:  Signature	By:  Signature
For and on behalf of Methods  	For and on behalf of Project Delivery Portfolio  	Defra Group Commercial  
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

Defra Group continues to oversee a significant portfolio of change with a great deal of complexity and ambition. To optimise the value delivered from our investments in change across Defra Group, we must oversee a **delivery culture shift towards mature and consistent benefits-led change**, aligned with the [Government Project Delivery Function's 2025 strategy](#), that ensures:

- We stay aligned to strategic goals (Defra Priority Outcomes);
- We improve confidence in the delivery of planned benefits;
- We optimise the value of our delivery, and;
- We make sure change is sustained.

And moves us away from:

- Benefits management as a moment in time, box-ticking exercise;
- Thinly spread benefits and change management capability and best-practice;
- Governance and controls that fail to hold delivery teams to account for benefits realisation.

In addition to underpinning Defra Group's delivery of the Environmental Improvement Plan and Government Project Delivery Function Strategy (2025), benefits management improvements will seek to go beyond IPA and ARAC recommendations. The following strategic objectives have been drafted and testing them should form a key component of engagement activity:

- **Portfolio Decision-Making** – enable better change investment decisions and reduce portfolio risk through greater consistency of practice, reduced double-counting, and a reliable portfolio-level view of benefits.
- **Benefits-Led Change** – position benefits at the forefront of programme delivery through effective engagement and buy-in to the value of effective benefits management across Defra Group.
- **Programme Decision-Making** – establish and embed benefits management practices that ensure Defra Group focuses on doing the right things to drive delivery of programme objectives (the 'why'), shifting from a focus on output delivery (the 'what').
- **Policy and Delivery Alignment** – establish closer alignment and working relationships between policy and delivery teams through shared understanding, language, and tools that leverage the combined value of Benefits Management and Evaluation practice. Create delivery environments that coalesce around a single version of the 'why' that programmes can work towards and share mechanisms that evidence success.

Recent data collection and analysis indicates that **we are not benefits-led in delivering our change portfolio**. Project teams, other portfolio teams, and finance teams outlined significant organisational immaturity in a benefits-led change culture and fulfilment of routine benefits management activities, regular tracking and reporting of benefits, and effectively resourcing benefits management activity.

Our short-term goal is to mobilise a Strategic Benefits Management Plan, commencing priority activities to enhance organisation-wide benefits management maturity and continuously inform iteration of the plan in line with emerging needs.

2. Statement of services

Objectives and outcomes to be achieved

The primary objective for this work, in support of longer-term objectives outlined above, is to oversee enhancement of organisation-wide benefits management maturity. More specifically, and aligned with strategic benefits plan workstreams, the guiding outcomes to be achieved are to be supported by delivery of incremental improvements in support of the following:

1. **Talent and Skills** - Defined role-specific requirements for benefits management, designing and deploying role-based training and establishing a self-governing community of Benefits practitioners.
2. **Process, Tools & Methodology** – Update current Benefits Management tools to increase interactivity, accessibility, and standardisation. Align tools and guidance to POL functionality. Ensure Government, IPA, NAO, and best practice standards are at the heart of framework and tool development.
3. **Architecture & Data** – Develop a Benefits POL platform to increase the quality and consistency of Defra Group Benefits data. Develop Benefits taxonomy with

clear alignment to Defra priority outcomes, to enable a golden thread and portfolio-level consistency.

4. **Resource Management** – Enhance portfolio-wide benefits management resourcing. Develop Benefits management role descriptions to ensure consistency across resource management. Advise minimum resource requirements for GMPP programmes. In the short term develop a temporary centralised pool of Benefits expertise to support Defra group projects, eventually scaling this back to specialist Benefits support.
5. **Governance & Control** – Enhance the effectiveness of benefits management governance. Define scrutineers roles to set clear expectations, providing training and guidance to support this. Ensure scrutineers are empowered to hold SROs and projects to account for the realisation of Benefits. Empower control mechanisms to push back and refuse funding and/or permission to proceed until Benefits Management standards have been met.
6. **Stakeholder Engagement & Continuous Improvement** – Communicate effectively to bring Defra Group along our step-change in Benefits management, showcasing successes as we go. Engaging key audiences to monitor pain points and encourage a feedback loop for continuous improvement and plan refinement.
7. **Change Management** – Optimise the impact of our change by ensuring it lands with the right people in the right way – ensuring the burning platform is understood and there is a strong change narrative to gain buy-in for the need for a benefits management step-change. Maintaining our focus on change management throughout to enable smooth adoption of new Benefits tools, technology, and ways of working. Ensure that Change management capability is aligned and enhanced at the right rate to optimise and sustain our Benefits Management improvements.

Scope

Collaborative delivery (with the Portfolio & Business Change Team) of prioritised backlog items across the seven workstreams of the Strategic Benefits Management Plan, reviewed iteratively and updated through the Service Definition Document (SDD). Services outlines in the deliverables section of this DPEL have been aligned with the Strategic Benefits Management Plan accordingly.

SBM Plan workstreams (with outline descriptions) in scope of this work package are as follows:

- **Talent and Skills** - Segmenting role groups and providing the right development opportunities and supplementary support to build the right capability in the delivery community.
- **Process, Tools & Methodology** – Ensures scalable flexible, and fit for purpose tools and guidance are in place to positively influence BM delivery and encourage benefits-led delivery.
- **Architecture & Data** – Ensures that tailored and meaningful structures and data infrastructures are in place to foster consistent BM activity, which is aligned with Defra organisational strategy and other strategic initiatives.
- **Resource Management** – Enhancing resource allocation and prioritisation in BM to ensure the right capabilities are available in the right places at the right time.
- **Governance & Control** – Ensuring the right controls are in place to provide benefits management assurance, and to empower the organisational structure to hold relevant parties to account for benefit delivery and realisation.
- **Stakeholder Engagement & Continuous Improvement** – Establishing mechanisms to determine the success of BM investment according to the community. Engaging key audiences to monitor pain points, priorities, and continuously assess developments in external best practice, guidance, and exemplars to amend BM plans accordingly.

- **Change Management** – Implementing a structured approach to facilitate organisational transition and ensure smooth adoption of new BM processes and technologies. Applying a change management lens to the development of Defra's BM capability will minimise resistance, enhance employee engagement, and maximise the realisation of anticipated benefits by effectively communicating the purpose of change and providing necessary support and training throughout the transformation journey.

For the full Strategic Benefits Management Improvement plan, see the live plan [here](#).



Assumptions and dependencies

Assumptions

- There will be a joint partnership approach between the Profession and Business Change Team and Methods throughout delivery which seeks to build on existing work to define a strategic benefits management plan with a view to working towards long-term, group-wide, benefits-led portfolio management.
- Collectively, the Profession and Business Change Team and Methods will have access to key stakeholders who will engage meaningfully and promptly to provide information to support the outcomes.
- Collectively, the Profession and Business Change Team and Methods 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 as appropriate.
- Collectively, the Profession and Business Change Team and Methods will have access to the 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 delivery team for this purpose.

- That there will be a formal review at each stage defined in the fees table (section 4) in this DPEL, to assess progress and provide critical input to shaping suitable delivery outputs and prioritising activity in support of planned outcomes.

Dependencies

- Leadership is aligned in approach and thinking, works in a constructive manner to support delivery as a whole.
- A joint, partnership approach between the Profession and Business Change Team and Methods.

Risk management

Risks to be considered during this engagement:

- Engagement and buy-in from key stakeholders to the importance of benefits management in the context of wider delivery challenges.
- Appetite for closer ties between policy and delivery specifically in relation to benefits management and evaluation/monitoring.

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

Deliverables

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Production of Work Package Management Documentation			
Service Definition Document (SDD)	<ul style="list-style-type: none"> - Document reviewed and signed off by SRO (or delegate), confirming that the defined service meets projects requirements, is aligned with and supports the DPEL outcomes. - Iterated throughout assignment period as required. 	22/09/2023	Delivery Manager Assurance Lead
Strategic Benefits Management (SBM) Plan Management and Delivery <i>All deliverables reviewed routinely with SRO (or delegate) and the Portfolio and Business Change Team during routine project delivery meetings (cadence to be defined and documented in SDD deliverable).</i>			
Strategic Benefits Management Plan Management	<ul style="list-style-type: none"> - Routine review and management of the SBM Plan collaboratively with the Portfolio & Business Change Team. - Plan updated and re-prioritised in line with 	Throughout delivery period. Progress reviewed regularly, with formal	Benefits Mgmt Lead Benefits Mgmt & Change Analyst

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
	<p>emerging priorities and needs. Optimised to support achievement of the plan's objectives.</p> <ul style="list-style-type: none"> - Continuous consideration of medium and long-term activity (beyond the timeline for this work package). 	<p>review at each checkpoint stage:</p> <p>#1 – 20/11/23</p> <p>#2 – 15/01/24</p> <p>#3 – 28/03/24</p>	
Benefits Management Plan - Talent & Skills Development Delivery	<ul style="list-style-type: none"> - Identification, planning, coordination and delivery against priority SBM Plan Talent & Skills Development workstream backlog items. - Meaningful and targeted outputs, tailored to Defra's needs that can have a tangible impact on portfolio-wide benefits management maturity. 	<p>Throughout delivery period.</p> <p>Progress reviewed regularly, with formal review at each checkpoint stage:</p> <p>#1 – 20/11/23</p> <p>#2 – 15/01/24</p> <p>#3 – 28/03/24</p>	<p>Benefits Mgmt Lead</p> <p>Benefits Mgmt & Change Analyst</p>
Benefits Management Plan - Process, Tools & Methodology	<ul style="list-style-type: none"> - Identification, planning, coordination and delivery against priority SBM Plan Process, Tools & Methodology workstream backlog items. - Meaningful and targeted outputs, tailored to Defra's needs that can have a tangible impact on portfolio-wide benefits management maturity. 	<p>Throughout delivery period.</p> <p>Progress reviewed regularly, with formal review at each checkpoint stage:</p> <p>#1 – 20/11/23</p> <p>#2 – 15/01/24</p> <p>#3 – 28/03/24</p>	<p>Benefits Mgmt Lead</p> <p>Benefits Mgmt & Change Analyst</p>
Benefits Management Plan - Architecture & Data	<ul style="list-style-type: none"> - Identification, planning, coordination and delivery against priority SBM Plan Architecture & Data workstream backlog items. - Meaningful and targeted outputs, tailored to Defra's needs that can have a tangible impact on portfolio-wide benefits management maturity. 	<p>Throughout delivery period.</p> <p>Progress reviewed regularly, with formal review at each checkpoint stage:</p> <p>#1 – 20/11/23</p> <p>#2 – 15/01/24</p> <p>#3 – 28/03/24</p>	<p>Benefits Mgmt Lead</p> <p>Benefits Mgmt & Change Analyst</p>
Benefits Management Plan - Resource Management Delivery	<ul style="list-style-type: none"> - Identification, planning, coordination and delivery against priority SBM Plan Resource Management workstream backlog items. - Meaningful and targeted outputs, tailored to Defra's needs that can have a tangible impact on portfolio-wide benefits management maturity. 	<p>Throughout delivery period.</p> <p>Progress reviewed regularly, with formal review at each checkpoint stage:</p> <p>#1 – 20/11/23</p> <p>#2 – 15/01/24</p>	<p>Benefits Mgmt Lead</p> <p>Benefits Mgmt & Change Analyst</p>

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
		#3 – 28/03/24	
Benefits Management Plan - Governance & Control Delivery	<ul style="list-style-type: none"> - Identification, planning, coordination and delivery against priority SBM Plan Governance & Control workstream backlog items. - Meaningful and targeted outputs, tailored to Defra's needs that can have a tangible impact on portfolio-wide benefits management maturity. 	<p>Throughout delivery period.</p> <p>Progress reviewed regularly, with formal review at each checkpoint stage:</p> <p>#1 – 20/11/23</p> <p>#2 – 15/01/24</p> <p>#3 – 28/03/24</p>	<p>Benefits Mgmt Lead</p> <p>Benefits Mgmt & Change Analyst</p>
Benefits Management Plan - Stakeholder Engagement & Continuous Improvement Delivery	<ul style="list-style-type: none"> - Identification, planning, coordination and delivery against priority SBM Plan Stakeholder Engagement & Continuous Improvement workstream backlog items. - Meaningful and targeted outputs, tailored to Defra's needs that can have a tangible impact on portfolio-wide benefits management maturity. 	<p>Throughout delivery period.</p> <p>Progress reviewed regularly, with formal review at each checkpoint stage:</p> <p>#1 – 20/11/23</p> <p>#2 – 15/01/24</p> <p>#3 – 28/03/24</p>	<p>Benefits Mgmt Lead</p> <p>Benefits Mgmt & Change Analyst</p>
Benefits Management Plan – Change Management Delivery	<ul style="list-style-type: none"> - Identification, planning, coordination and delivery against priority SBM Plan Change Management workstream backlog items. - Meaningful and targeted outputs, tailored to Defra's needs that can have a tangible impact on portfolio-wide benefits management maturity. 	<p>Throughout delivery period.</p> <p>Progress reviewed regularly, with formal review at each checkpoint stage:</p> <p>#1 – 20/11/23</p> <p>#2 – 15/01/24</p> <p>#3 – 28/03/24</p>	<p>Benefits Mgmt Lead</p> <p>Benefits Mgmt & Change Analyst</p>
Knowledge Transfer			
Knowledge Transfer Planning and Delivery	<ul style="list-style-type: none"> - Clearly articulated plans for coaching, knowledge transfer and co-delivery activity (including Portfolio and Business Change Team and wider Defra Group stakeholders where appropriate and proportionate). - Evidence of consultation in relation to knowledge and skills development priority and alignment of activity accordingly. 	<p>Delivery monitored throughout assignment period.</p> <p>Progress reviewed regularly, with formal review at each checkpoint stage:</p> <p>#1 – 20/11/23</p> <p>#2 – 15/01/24</p> <p>#3 – 28/03/24</p>	<p>Benefits Mgmt Lead</p> <p>Benefits Mgmt & Change Analyst</p> <p>Assurance Lead</p>

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
	- Enhanced working knowledge and/or practical application of benefits management techniques among priority stakeholders.		

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.

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

The SDD will provide further detail of each of the services to be provided.

Service	Role	# of days	Daily rate	Cost
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Total resource Total days* Engagement Length** <small>*Total days worked across all resources</small> <small>**Total working days in engagement</small>	[REDACTED]
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Business Area's team

This work will be delivered jointly in partnership with the Profession and Business Change 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 [REDACTED] inclusive of expenses and excluding VAT.

Stage	Cost	Due (link to milestone dates)
Checkpoint Review 1		DD/MM/YY
Progress against the outcomes and deliverables as set out in this DPEL.	£77,983	20/11/2023
Checkpoint Review 2		
Progress against the outcomes and deliverables as set out in this DPEL.	£77,983	15/01/2024
Assignment Completion		
Completion of all deliverables and successful outcomes as set out in this DPEL.	£77,984	28/03/2024
Expenses		
Where travel outside London (or agree 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.	-	-
Grand total	[REDACTED]	

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
Delivery Performance	Delivery Review	Progress review against deliverables	Monthly	SRO	<i>Report by Methods</i>	Delivery within 15% tolerance

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

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

