

Defra Group Management Consultancy Framework: Project Engagement Letter

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

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Engagement details					
Engagement ref #	DPEL_61539_029				
Extension?	N	DPEL Ref.	N/A		
Business Area	Strategy and Change, Portfolio Directorate				
Programme / Project	STRAT				
Senior Responsible Officer	██████████				
Supplier	Deloitte				
Title	Customer vision measures development				
Short description	<p>This work is to:</p> <ul style="list-style-type: none"> investigate and create a suite of measures that will support and help Defra deliver our vision for customer excellence develop a plan to ensure Defra identifies the data we need, how we collect it, and ensure it is accurate. 				
Engagement start / end date	18 January 2023	31 March 2023			
Funding source	Cost centre ██████████				
Expected costs 21/22	N/A				
Expected costs 22/23	£97,200				
Expected costs 23/24	-				
Dept. PO reference	Dept. PO reference # (to allow for Defra Group recharge)				
Lot #	Lot 1				
Version #	1.0				



Approval of Project Engagement Letter

By signing and returning this cover note, Defra Strategy and Change, Portfolio Directorate accepts the contents of this Project Engagement Letter as being the services required and agrees for Deloitte 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
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18/01/2023	18 January 2023	19 January 2023
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 has one of the biggest and most demanding change agendas in Government and is committed to delivering against ambitious outcomes on net zero, climate adaptation, environmental goals and restoring nature, while making our vibrant fishing, food and farming sectors more sustainable. Our work in Defra will bring big changes to these sectors and delivering a good customer experience is key to the successful delivery of outcomes.

The Improving Customer Delivery Team is leading the customer agenda and culture across Defra group to nurture a customer focused organisation which strives for customer excellence and simplicity. We have developed a:

- a clear customer vision and design principles and a roadmap to customer excellence
- an understanding of the maturity of customer delivery in each of the delivery bodies and in Defra as a whole.

We now need to develop the measures that will help us:

- understand customer experience, effort, and perception, giving us actionable insights
- track and measure progress against an established model for customer centred transformation
- assess and measure benefits of planned transformational changes.

Over the last 12 months we have gathered evidence that supports the need for us to do this We know that:

- customer journeys are difficult, complex, and long
- we have processes duplicating effort for customers and internal teams
- we have overlapping processes which cause confusion around responsibilities
- many customers need to interact with multiple agencies in Defra
- customers do not receive consistent answers and are not clear on how to navigate journeys

- customers experience different standards across Defra family
- customer journeys are complicated as they're designed around organisational boundaries, not customer needs
- internally, we do not have a single view of the customer
- we have different Customer Relationship Models and repositories which mean we lose track of our customers and their journeys
- we have inefficient processes where we duplicate effort as we cannot see a customer's history
- our customers can end up repeating the same information multiple times
- we waste a lot of time on unnecessary contact because our entry points make it difficult for customers to contact the right team
- our frontline staff want to provide a good customer experience, but don't have the right tools
- we're often not easy to do business with.

To improve the customer experience Defra will provide:

- opportunity for customers to self-serve if they are able to
- a multi-channel communication approach for our customers. Customers will be able to get the support they need with simple touchpoints on channels and times that works for them
- easy to use, joined up and seamless services, regardless of organisational boundaries
- opportunity for customers to tell us once
- clear communications that are easy to understand and follow and show we care
- use of clear, consistent, and simple language across Defra group
- timely updates on progress on requests / applications and clarity around our decision making
- a continuous improvement culture, where we learn and act on customer insights

Our work in Defra will involve both quick win improvements - aligning with future model - and more transformative changes:

- **transitional improvements** - making quick win improvements in line with 2025 Interim Operating Model. Incremental improvements that are easy to implement. Short term benefits but may not address root cause of issues.
- **transformational changes** - more complex and transformational changes, relying on critical path activities such as Arm's Length Body reform and digital transformation. These will take longer to implement but will offer greater benefits.

We will align with, and contribute to, the digital transformation programme, simplifying customer journeys. Some of our improvements are critical to have in place as we start to improve key digital services.

By establishing the right measures, Defra will be able to better understand customer experience, the impact of changes we will be introducing, and our progress against the roadmap to customer excellence.

2. Statement of services

Objectives and outcomes to be achieved

State and describe the aims of the engagement:

The Improving Customer Delivery team has developed a customer vision and a plan for transforming customer delivery and experience across the Defra family. We have also baselined customer delivery against an established customer centered transformation model and described our future customer operating model and roadmap for customer excellence. We are now thinking in more detail about the capabilities we need within the model.

Critical to delivery of the vision and Defra becoming an organisation that is guided by its customer needs is having the right measures in place. Measures that show where we need to improve and that help us drive customer value.

This is not work we can do ourselves. We need a partner to help take a strategic view of the measures we need, bringing together multiple work strands. This is so we are not limited by our assumptions and what we can measure rather than what we should measure.

We have already brought together the data we currently hold. We now want to build on this to establish the right metrics for Defra to help:

- the organisation and its delivery bodies achieve customer excellence, helping embed a continuous improvement culture to learn from and act on insights
- help measure progress against our roadmap, including the impact of customer improvements and transformative changes
- assess and ensure benefits of changes are realised.

We need a strategic partner – with an understanding of Defra's transformation ambitions - to:

- conduct an independent review of plans and challenge our existing assumptions. We do not want to be led by the knowledge we have
- establish measures that will provide data to help us pursue low cost / high value improvements to customer facing services; drive the approach to transforming

customer facing services; and inform the Group operating model design from a customer point of view

- provide an external view of measures at a whole system level
- draw on best practice within and outside the public sector to identify measures that that matter to our customers - and are important to our senior leaders.

Scope

Define the scope of the services (*SMART*):

Through this commission, in quarter 4 2022/23 we want to establish suitable customer metrics for:

- Defra's Executive Committee
- Transformation's Portfolio Office and a Strategic Design Authority
- the Defra Customer Innovation and Change Forum and customer leads in the key delivery bodies.

These metrics should have in mind the following delivery bodies. These are:

- Animal and Plant Health Agency
- Centre for Environment, Fisheries, and Aquaculture Science
- Environment Agency
- Forestry Commission
- Marine Management Organisation
- Natural England
- Rural Payments Agency.

The Customer Innovation and Change Forum membership includes representatives from these organisations. We would like to draw input from the forum in shaping metrics, though the planned governance mechanism will have final decision capacity (see Risk section).

Through this work we want to influence the customer metrics that delivery bodies establish at an organisational level. We also want to keep in mind that we may want to extend metrics to other delivery bodies within the Defra family in future.

Assumptions and dependencies

Provide further description of the assumptions and dependencies:

This work is heavily aligned with the Transformation programme. We need to ensure our measures fit with the development and plans from the projects. These include digital transformation, core reform, the review of Arms Length Body landscape, and the establishment of single grants hub.

There are dependencies with other performance teams and the work they are doing on performance measures and the improving assurance model for the Executive Committee. We will need to work with the other performance teams and the governance team to ensure we are aligned.

This work is dependent on our broader customer improvements and transformational changes. Any development in this area must support and fit with wider ambitions.

Risk management

Provide further details of any foreseen risks with this project and how they could be mitigated:

Our first three risks are in relation to the supplier selected for this work. Our preference is that we use Deloitte:

- As Deloitte have previously worked with the Improving Customer Delivery team on the customer vision and baselining, they have familiarity with the customer delivery, the data and the stakeholders. We would need additional lead time to introduce an alternative supplier to our work, and this would introduce duplication and added costs. Using Deloitte would reduce lead time and offer better value for money.
- Deloitte have recently been brought in to support the transformation programme. While our work is separate, there are dependencies. Using Deloitte for the customer measures piece would avoid complications in having two competing strategic partners working in one area.
- As we experienced with our customer baseline work, delivery bodies are reluctant to share data in an open and transparent way. If we engage a strategic partner not familiar with key customer stakeholders, we will need to build those relationships and trust again before being able to make progress. As Deloitte have already established this trust, we would avoid having to do this.

We have identified three broader risks:

- To ensure join up of our work to other areas, we propose establishing a governance mechanism involving relevant internal stakeholders. This will ensure our work dovetails to strategic priorities.
- Without this work, we risk not being able to measure the benefits of transformation, such as Arms Length Body reform. Understanding the customer and the failure demand that is currently part of the performance will help us streamline and improve processes and achieve greater efficiencies. This is therefore an opportunity risk.
- Without bringing in an outside strategic view, there is a risk that the measures we develop will be guided by the data we have already. This will limit our ability to measure the true customer experience. Engaging with a partner will ensure we have an outside view, with opportunity to look at our vision and advice on what we should measure rather than simply what we can.

Deliverables

Describe what the supplier will produce:

Drawing on best practice within and outside the public sector, we would like the supplier to provide deliverables set out below.

- 1) Proposed measures and proposals for how these are addressed, through a route map for change. The measures should focus on three areas:
 - i) Internal facing measures – the impact of customer delivery internally e.g. what is the size of failure demand in our system – cost, time, FTE.
 - ii) Outward facing measures – what is the customer experience e.g. how do customers feel about the service they receive, were we successful in helping them, etc.
 - iii) Opportunities and future pipeline – what are the potential areas of customer improvement where we could make the biggest difference and add most value, e.g. by designing out failure demand, streamlining journeys, introducing new capabilities (people, processes, technology). These will provide our future pipeline, while giving the Executive Committee the chance to influence priorities. The pipeline would be very closely linked to transformation.

The internal facing measures are the priority - these will give us opportunities for savings and efficiencies. We want these to keep customer journeys in mind.

- 2) A mock-up of a dashboard for Executive Committee that will help the organisation make prioritised, informed decisions.
- 3) A way in which we can measure and track our transformation journey, as we start to deliver improvements. This should help us demonstrate how taking a user-centred approach helps Defra deliver on its outcomes.
- 4) Appropriate knowledge transfer to allow Defra to continue developing and improving customer measures and how these are used.

These deliverables should keep in mind our previous work on the customer vision, design principles, proposals for achieving customer excellence and what we need to have in place.

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Project Stage A			



Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Customer Measures Document	<p>A clear and concise document that explains the proposed measures and proposals for how these are addressed, through a route map for change.</p> <p>The measures need to be able to help Defra identify to pursue low / cost improvements to customer facing services.</p> <p>They must help drive the approach for transforming customer services, while informing the Group operating model design from a customer perspective.</p> <p>They must also provide a documented method to measure and track the transformation journey, to assist delivery of improvements.</p>	10/03/2023	██████ ██████
Design of Measurements Dashboard	A mock-up of a dashboard for Executive Committee that will help the organisation make prioritised, informed decisions, as above.	10/03/2023	██████ ██████
Project Stage B (additional stages can be added)			
N/A			
Internal Capability Development Outcomes			
Co-development of material	Appropriate knowledge transfer to allow Defra to continue developing and improving customer measures and how these are used.	Ongoing until 10/03/2023	██████ ██████
Final handover workshop	A workshop to provide knowledge transfer and final handover of all deliverables.	10/03/2023	██████ ██████
Social Value Outcomes			



Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)

Limitations on scope and change control

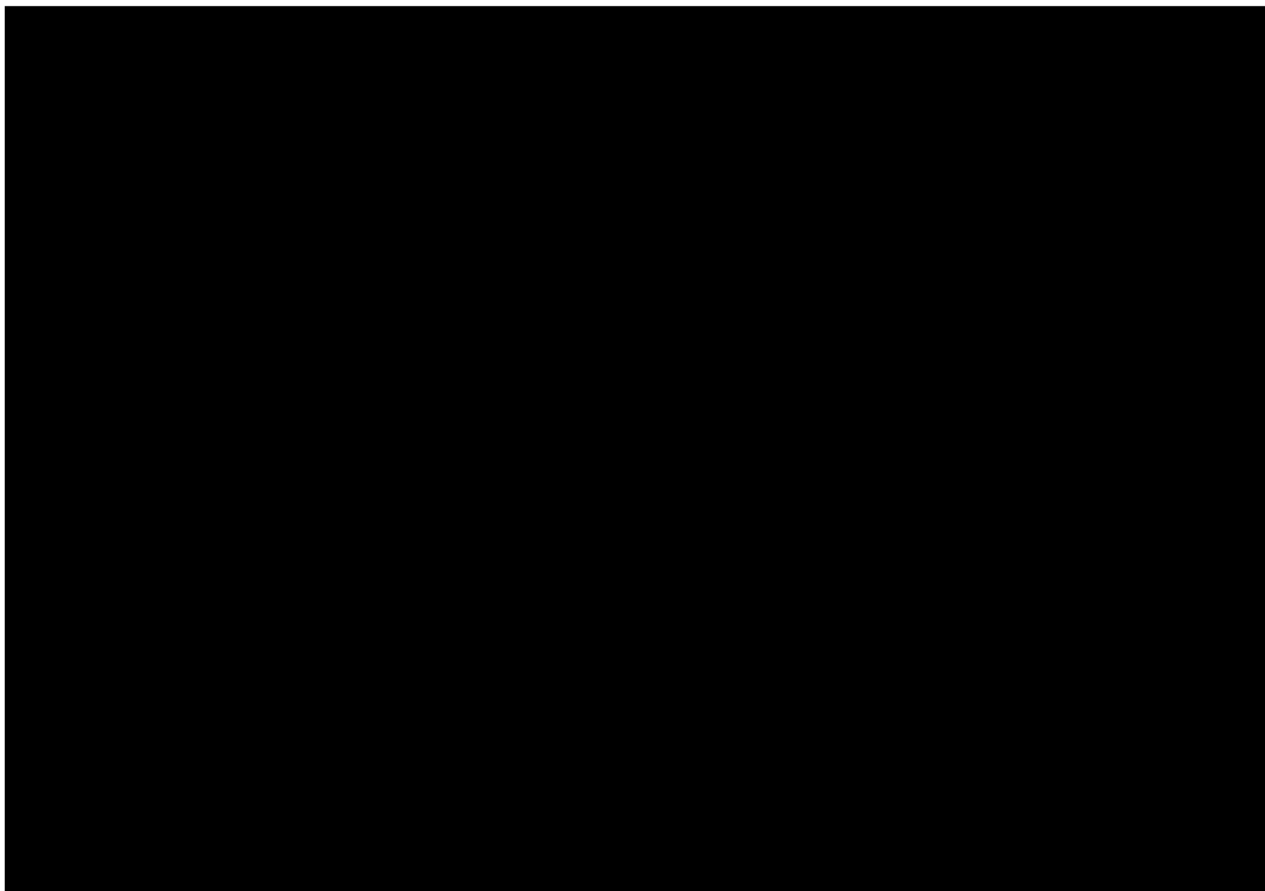
Business Area / Supplier to supplement with any additional areas, as deemed appropriate.

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

Provide details of the agreed team members including their roles and responsibilities during the project.



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 £97,200, inclusive of expenses and excluding VAT.



Stage	Cost	Due (link to milestone dates)
Grand total	£97,200	

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.

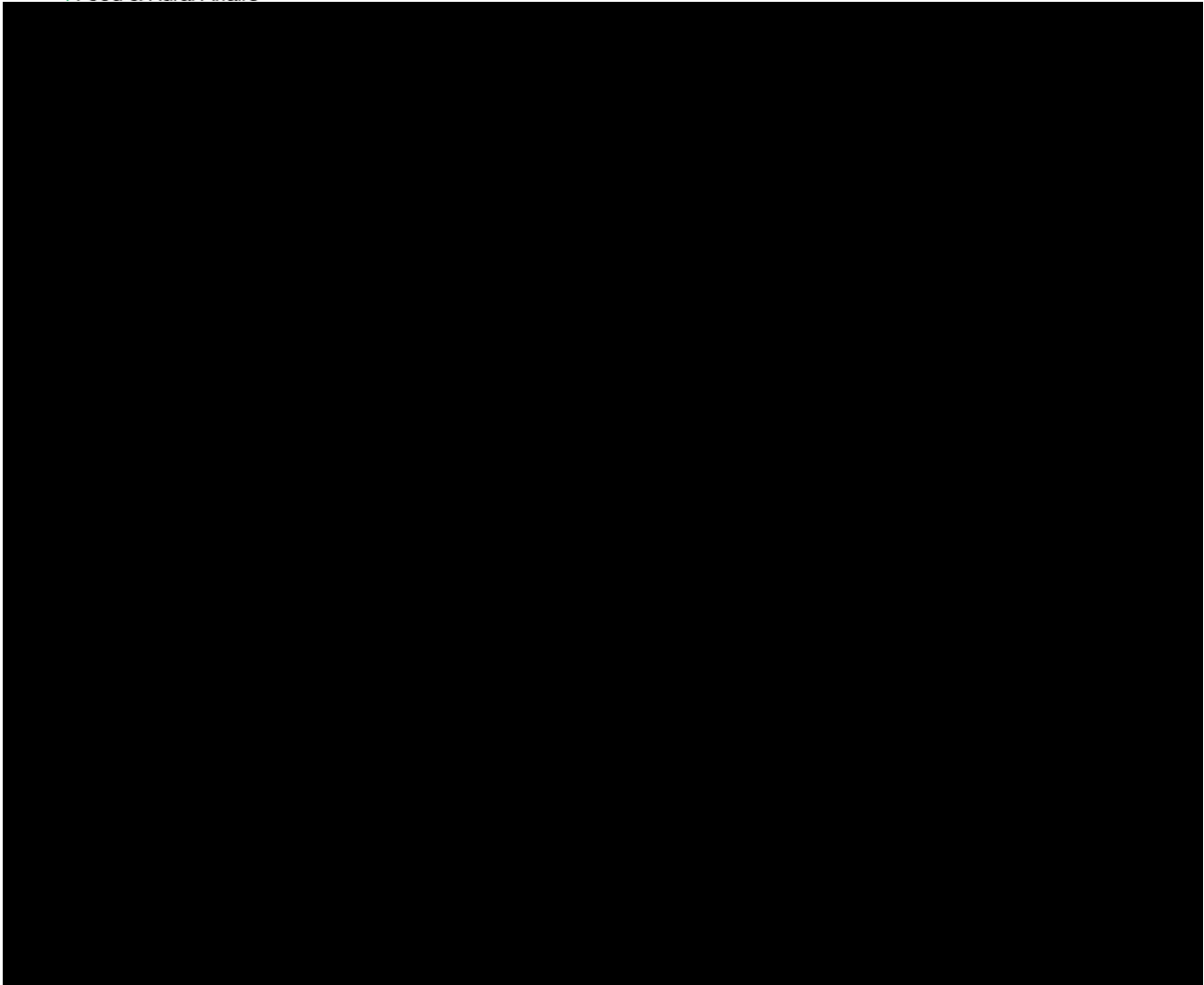
5. Governance and reporting

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

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



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. Insert any additional NDA requirements here.

6. Exit management

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



The supplier will provide the Deliverables – namely the Customer Measures Document and the Design of Measurements Dashboard to Defra prior to the end of the contract. In addition, the supplier will present - as part of the knowledge transfer and Internal Capability Development Outcomes - the deliverables to the Business Area's team and secure sign off that they are of an acceptable standard and meet requirements.

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:
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

