



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_61548_011 | | |
| Extension? | N | DPEL Ref. | Not Applicable |
| Business Area | Group Corporate Services | | |
| Programme / Project | Synergy Business Readiness | | |
| Senior Responsible Officer | [REDACTED] | | |
| Supplier | KPMG | | |
| Title | Synergy Business Readiness Review | | |
| Short description | To conduct a review of the business readiness planning of all the current functional areas in DEFRA within the scope of the Synergy Programme to ensure we have a comprehensive view of critical and priority activities. | | |
| Engagement start / end date | Proposed start date 08/01/2024 | Proposed end date 29/02/2024 | |
| Funding source (CDEL/RDEL) | RDEL | | |
| Consultancy Spend approval reference | F/2223/0400 | | |
| Expected costs 22/23 | £NA | | |
| Expected costs 23/24 | £100,000 | | |
| Dept. PO reference | To be confirmed | | |
| Lot # | Lot 2 | | |
| Version # | 0.1 | | |









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 KPMG to provide the services in accordance with the agreed Supplier Proposal under the overarching contract (Lot 2- Ref: [REDACTED] entered into by the customer and supplier dated 25 June 2021) with Defra Group and confirms the availability of funding to support recharge for the services.

Subject to Clause 37.1 (Unlimited Liability), the Supplier's total aggregate liability, in respect of all other Losses incurred by the Customer under or in connection with this [engagement] as a result of Defaults by the Supplier shall in no event exceed a sum equal to one hundred and twenty-five per cent of the Call Off Contract Charges payable in connection with this [engagement].

Any work performed before this engagement letter is finalised will be governed by its terms and conditions.

| Signatures | | |
|---|--|---|
| Supplier | Business Area | Defra Group Commercial |
|  By: _____ <i>Signature</i> | By:  <i>Signature</i> | By:  <i>Signature</i> |
|  |  |  |
| 12/01/2024 | 16/01/2024 | 16/01/2024 |
| 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 |

[REDACTED]

[REDACTED]

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

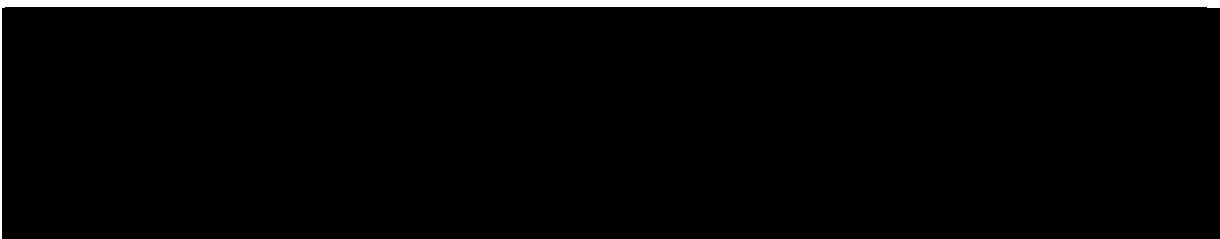
Defra is a part of the Synergy Cluster, which has been set up to replace current ERP and BPS contracts for 4 Departments. Synergy is managing overall delivery; however, each department needs to act in advance to ensure readiness planning. It will be important to look at what can be done in advance of Synergy delivery, what needs Synergy direction first, and what should await new system etc. Some activities will be large and require dedicated project resources. Others could be “quick wins” that can be easily integrated into delivery plans.

2. Statement of services

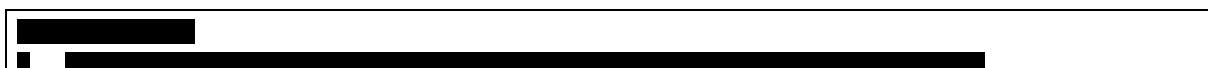
Objectives and outcomes to be achieved

- To provide Defra GCS with an overview of business readiness activities needed to ensure successful delivery of Synergy in Defra Group. This can build on work KPMG undertook for next wave and additional discovery work undertaken in-house in recent months.
- The overview should provide recommendations on opportunities, options, priorities, and potential resource implications.
- The outcome of the review should support interdependencies mapping between the in-scope functional areas as well as enable the presentation of proposed plans for coming 2-3 years and change implications.
- To enable Defra to understand whether we have a comprehensive understanding of readiness activities required in order to prepare for Synergy.

Scope



Assumptions and dependencies





| | |
|---|------------|
| ■ | [Redacted] |
| ■ | [Redacted] |
| ■ | [Redacted] |
| ■ | [Redacted] |
| ■ | [Redacted] |
| ■ | [Redacted] |
| ■ | [Redacted] |
| ■ | [Redacted] |
| ■ | [Redacted] |
| ■ | [Redacted] |

Risk management

| |
|----------------|
| - To be agreed |
|----------------|

Deliverables

| |
|------------|
| [Redacted] |
|------------|

| Deliverable | Success Criteria | Milestone / Date | Owner (who in the delivery team?) |
|---|------------------|------------------|-----------------------------------|
| Project Stage A | | | |
| [Redacted] | | | |
| Project Stage B (additional stages can be added) | | | |
| N/A | | | |
| Internal Capability Development Outcomes | | | |
| N/A | | | |
| Social Value Outcomes | | | |
| N/A | | | |

Limitations on scope and change control

The value of the work will not exceed the total cost outlined in this DPEL.



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.

| Name | Role (link to stage/s resource will work on) | Grade | Daily rate | # of days | Cost |
|-------|--|-------|------------|-----------|---------|
| | | | | | |
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| | | | | | |
| | | | | | |
| Total | | | | | £99,735 |

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 £99,735, inclusive of expenses and excluding VAT.

Provide costs for any particular stages to the engagement.

| Stage | Cost | Due (link to milestone dates) |
|--|---------|-------------------------------|
| A | | DD/MM/YY |
| High level Readiness Assessment and recommendations V2.0 | £99,735 | 29/02/2024 |
| B (additional stages can be added) | | |
| | | |

| Stage | Cost | Due (link to milestone dates) |
|--|---------|-------------------------------|
| Expenses | | |
| None expected and only in accordance with expenses statement below | £ | |
| Grand total | £99,735 | |

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.

| KPI | KPI Requirement | Description | Reporting Frequency | Who Measures | Method of Measurement | Performance Target |
|-----|------------------|-------------|---------------------|--------------|-----------------------|--------------------|
| | See Deliverables | | | | | |

Feedback and satisfaction

KPMG to provide weekly status reports to provide the SRO with an update.

Daily stand-up meetings will be held with the core delivery team to ensure common view of actions, responsibilities, priorities, and risks.

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:

| |
|------------------|
| See Deliverables |
|------------------|

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 |

