



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 #	DPEL_61539_050				
Extension?	FOLLOW ON	DPEL Ref.	DPEL 61539_015 DPEL 61539_027 DPEL 61539_028		
Business Area	Defra HR				
Programme / Project	Defra Core Organisation Design				
Senior Responsible Officer	[REDACTED]				
Supplier	Deloitte LLP ("Deloitte")				
Title	'Phase 2' Organisation Design support				
Short description	Support for further organisation design work in the context of organisational change following the disbandment of DG Strategy and potential refined priorities in the post-Election period				
Engagement start/end date	Start date 12 th August 2023	End date 18 th October 2024			
Consultancy Spend approval reference	Check				
Expected costs 23/24	£0				
Expected costs 24/25	£99,000 (ex VAT)				
Expected costs 25/26	£0				
Dept. PO reference	Check				
Lot #	Lot 1				
Version #	1.0				



Approval of Project Engagement Letter

Signatures		
Supplier	Business Area	Defra Group Commercial
<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

Briefly justify why support is required:

Defra recognises the need to build a 'Future Defra' that (a) prioritises delivery of an improved environment, more resilient world and great services; (b) makes it easier to get our jobs done, with greater flexibility and seamless working across the group; and (c) is a destination organisation, investing in our people so that they can enjoy their jobs and feel valued.

Defra recently made changes to DG structures by disbanding DG Strategy and re-brigading component functions. The changes made were pragmatic and short-term, given timings and the forthcoming Election.

However, in pursuit of the 'Future Defra' vision, Defra now needs to review the optimal configuration of DG roles and responsibilities. This DPEL provides expert capability to support Defra's OD&D function assess options, help ExCo agree optimal design solutions and develop robust implementation plans.

2. Statement of services

Objectives and outcomes to be achieved

State and describe the aims of the engagement:

Specialist time-limited support, building on previous work, is required to:

1. Validate and agree a list of outstanding design questions that need to be resolved through the work under this Project Engagement Letter. This will be done through discussions with the Permanent Secretary, 2nd Permanent Secretary and the Group HR Director.
2. Refine and agree a set of design principles to both inform design choices and help evaluate design options.
3. Engage with key stakeholders (principally all DGs, but potentially also a small group of selected Defra 'core' Directors and potentially some ALB CEOs) – to inform and discuss options around each of the design questions.
4. Set out options associated with each design question, propose an analysis against the design principles and propose potential solutions – for facilitated discussion with ExCo pending formal agreement with the Permanent Secretary.
5. Support implementation planning – including timelines, interdependencies with other activities and associated 'change management' requirements. The work will also establish next steps to support an ongoing / 'iterative' design process, including summarising a "design questions backlog".

All of the above will need to be done a) in light of emerging Ministerial priorities post Election and b) in alignment with emerging thinking from the new ['Future Defra' transformation] team, for example with regard to Defra Group's "Directional Design" and associated longer term organisational change.



Scope

The scope of the Supplier's work under this Project Engagement Letter is limited to the organisation design of Defra Core's 'top-level' organisation design. It will, for example, consider high-level roles and responsibilities. Excluded from Supplier's scope of work is 'detailed design' – for example, detailed organisation charts to the bottom layer of each DG, detailed FTE calculations – and support for the execution of implementation plans. By exception, and if permitted within budget, the Deloitte team might support Defra's OD&D team undertake a small amount of additional design work, for example on the component parts of the former Strategy Group.

Assumptions and dependencies

The scope of Services under this Project Engagement Letter is interdependent with:

- Work to set up a new ['Future Defra' transformation] team: it will be important to align thinking, for example, so that any near-term organisational change as a result of this work is aligned with thinking around how best to implement Defra's longer-term "Directional Design"
- Ministerial priorities post the Election and preparations for the upcoming Spending Review bid: it will be important to find mechanisms to quickly understand such priorities and assess as part of the work whether there are 'top-level' organisational implications.

Key assumptions include:

- At least one full-time, suitable Defra resource will support this work (and benefit from knowledge transfer during the project). Defra will also lead on the efficient scheduling of stakeholder interviews, workshops, etc.
- The Business Area will ensure that Supplier has the timely and high-quality access to all key stakeholders as identified in this Project Engagement Letter, noting the summer holiday period. For example, this work will require sufficient 1-2-1 and collective engagement with Defra's ExCo members and access to some Director time to support appropriate engagement.
- The work will be carried out remotely and via Teams with periodic face-to-face to meetings in London as agreed between the joint team.

Risk management

Risks will be managed through weekly status reporting and weekly catch-up meetings with [REDACTED]



Deliverables

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Agreed design questions and design principles		Draft by 16 th August, ExCo agreement asap	
Pack summarising, for each design question, options and analysis against design principles		Draft by end August, ExCo agreement asap	
Pack summarising implementation considerations, including a plan, interdependencies.		Draft by mid September, ExCo agreement asap	
Supporting material for all the above to support ExCo conversations as appropriate		As required	
Next steps, including a "design questions backlog" summarising unresolved design questions that could be addressed in future phases of work		By project end date	



3. Delivery team

Name	Role (link to stage/s resource will work on)	Grade	Daily rate	# of days	Cost
			Totals		£99,000



4. Fees

Provide costs for any particular stages to the engagement.

Stage	Cost	Due (link to milestone dates)
No specific stages defined for this DPEL		
Expenses		
None expected and only in accordance with expenses statement below		
Grand total		

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 section					

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.

The parties agree that this DPEL is governed by the MCF2 RM6008 Call Off Order Form entered into by the Customer and the Supplier dated 17th May 2021 for the provision of Defra Group Management Consultancy Support Arrangements.

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 DPEL 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 DPEL.

Non-disclosure agreements

The overarching MCF2 framework include NDAs. Insert any additional NDA requirements here.

None



6. Exit management

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

See Objectives and Deliverables section.

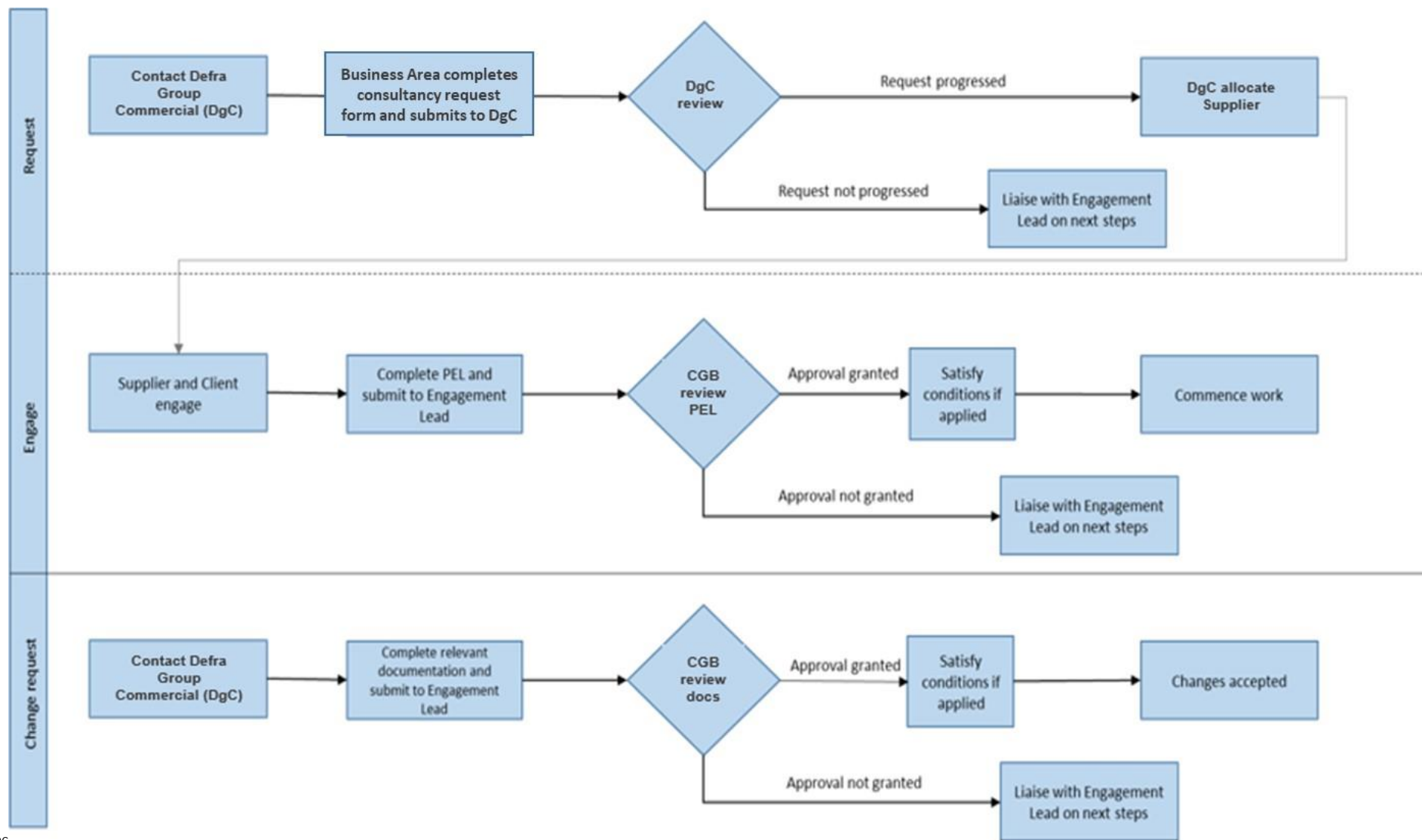
Notice period

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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