



## 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_61548_016  |            |  |  |  |
| Extension?                           | N   | DPEL Ref.  |  |  |  |
| Business Area                        | Defra Group Corporate Services  |            |  |  |  |
| Programme / Project                  | Group Corporate Services (GCS) Strategic Partnership  |            |  |  |  |
| Senior Responsible Officer           | [REDACTED]  |            |  |  |  |
| Supplier                             | KPMG LLP ("KPMG")   |            |  |  |  |
| Title                                | GCS Strategic Transformation Partner  |            |  |  |  |
| Short description                    | <p>Defra GCS is navigating a complex transformation landscape, with the acceleration of the Synergy Programme and a series of departmental change projects and programmes underway. Synergy is evolving, and therefore Defra will need to be agile and flexible to respond to the demands of the programme.</p> <p>To deliver the required outcomes for Synergy and other priority projects and programmes, Defra GCS needs access to a team of skilled individuals with a range of experience.</p> <p>Building on previous engagement to support Synergy readiness at Defra, KPMG will support GCS, specifically the Synergy at Defra team within the Strategy, Partnerships and Operations directorate.</p> <p>The delivery model will be collaborative, with teams of blended resource from KPMG and Defra to build capability within Defra GCS for the longer-term.</p> |            |  |  |  |
| Engagement start / end date          | 16/05/2025  | 31/07/2025 |  |  |  |
| Consultancy Spend approval reference | CGB reference for Core Defra only - £100k + (RDEL)  |            |  |  |  |
| Expected costs 25/26                 | £211,682.10   |            |  |  |  |
| Dept. PO reference                   | Dept. PO reference # (to allow for Defra Group recharge)  |            |  |  |  |
| Lot #                                | Lot 2   |            |  |  |  |
| Version #                            | 0.1   |            |  |  |  |

### Approval of Project Engagement Letter



By signing and returning this document, Defra accepts the contents of this Defra Project Engagement Letter (DPEL) and agrees for KPMG to provide the Services in accordance with the overarching MCF2 RM6008 call off contract (Lot 2- Ref: 28595 entered into by Defra and Supplier dated 25 June 2021 and signed extension dated 24 May 2024) (the 'Call Off Contract') and confirms the availability of funding to pay for the Services.

Subject to Clause 37.1 (Unlimited Liability) of the MCF2 call off terms, the Supplier's total aggregate liability, in respect of all Losses incurred by the Customer under or in connection with this DPEL shall in no event exceed a sum equal to 125% of the Call Off Contract Charges payable in connection with the aggregate fees paid pursuant to this DPEL.

Recognising the need for flexibility, this document provides indicative scopes, deliverables, and maximum fees. This is a Services to Assist engagement, and deliverables will be reviewed each week based on Defra priorities. The deliverables arising through the course of the engagement, which the supplier will contribute towards or co-develop, will be determined in the weekly project update meetings and agreed mutually between the supplier [REDACTED]

| Signatures |               |                        |
|------------|---------------|------------------------|
| Supplier   | Business Area | Defra Group Commercial |

[REDACTED]



Supplier contact: [REDACTED]

Business Area contact: [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 customers to support their evaluation of the Engagement Letter.

## 1. Background

Defra GCS is navigating a complex transformation landscape, with the Synergy Programme accelerating and a series of departmental projects and programmes delivering change underway.

Defra has a strong but small team of committed individuals but does not have all the capability and capacity needed. Therefore, to deliver the required outcomes for Synergy and other priority projects and programmes, Defra GCS needs access to a team of skilled individuals with a range of experience. In common with other departments in the Synergy cluster, Defra needs its own Corporate Services strategic delivery partner to augment these skills and help deliver the programme. We are aware of MoJ and Home Office arranging similar support through their Synergy transformation. Defra is often held up as the most organised of the Departments in the Cluster, and we would be looking to retain this assessment moving forward, building on the work we have done together and the relationships we have built as we have created our joint working team.

KPMG has supported GCS on its transformation journey for the last four years, including supporting the Next Wave Programme and a Corporate Services assessment, as well as working with the Synergy@Defra programme team since January 24. As such we have worked shoulder to shoulder with you on this agenda, and know your people, your challenges, and processes.

## 2. Statement of services

### Objectives and outcomes to be achieved

The Objectives and Outcomes are based on two core components, with the outcome of providing capabilities and capacity in areas that Defra may have gaps, but that are critical for delivering a complex ERP implementation and transformation programme:

#### 1. Strategic Programme Advice:

Providing [REDACTED] with advice and support when tackling complex programme planning and delivery tasks and challenges on an ad-hoc basis.

#### 2. Programme Planning Support:

Providing expertise to ensure that the Synergy@Defra team can effectively manage the levels of coordination required to run this large, cross-functional programme, and providing support to create a clear integrated portfolio plan. This integrated plan has been





assembled from various sources but remains “unchallenged”.

## Scope

### 1) Strategic Programme Advice:

The scope of activities includes all key strategic programme management priorities of the Synergy at Defra programme, [REDACTED]. This will include matters relating to complex programme planning, as well as priority delivery tasks and challenges including but not limited to strategic funding justification and planning, senior leadership briefing packs and narrative. Attendance at key fora to provide context, background, and detailed analysis as required for deep dives.

### 2) Programme Planning Support:

Provide a single holistic, comprehensive, Synergy@Defra Programme/Portfolio plan to provide coherence across the Finance, HR, Commercial, DDTS and ALBs. Ensure this plan is baselined, monitored and updated through Governance in line with the emerging SI Implementation plan.

## Assumptions and dependencies

- When providing the Services, the Supplier will not perform any management functions, nor make any decisions for the Buyer, and while the Supplier may provide the Buyer with advice, responsibility for all related decisions and their consequences are the Buyer's responsibility. The Buyer must appoint someone of management-level with the skill, knowledge and experience necessary to be responsible for overseeing the Services provided, evaluating their adequacy, establishing and maintaining internal controls and monitoring ongoing activities.
- Defra will provide the appropriate resources with the required capacity and capability to jointly deliver the required work with the Supplier in a blended-team approach.
- Detailed project plans, including responsibilities and accountabilities of the Supplier and Defra team members, will be agreed between Defra and the Supplier leads for each piece of work prior to the engagement commencing and throughout the engagement as appropriate and where feasible.
- Weekly update meetings will continue to include an agenda item to raise any concerns on the contributions of individuals within the blended team, where this may impact the delivery of activities by the Supplier. [REDACTED], will support resolution of any concerns.
- There will be clear ownership from a senior Defra member of the relevant team(s) who will lead the overall work, provide clear guidance on stakeholder engagement, drive decision making and if needed act as a point of escalation to ensure the work remains on track.
- Defra will ensure that stakeholders are informed of the work and the importance of their role in supporting its success. This will also help to guarantee that stakeholders are aware of tight timescales and therefore can be made available as required.
- Defra will be able to respond quickly to requests for information/data. The supplier assumes access to necessary documentation and Defra representatives as required to complete our work to the required timescale.
- Defra will provide administrative support to help ensure that we can rapidly organise meetings and workshops with stakeholders within Defra and the in-scope ALBs as required.



- Meetings and workshops will be held using Microsoft Teams. Where the supplier team does not have access to Defra IT, all necessary information will be exchanged via email to named KPMG email accounts with any deemed sensitive attachments being password protected. Only information required for this project will be exchanged. This will not include any personal or potentially directly sensitive commercial information.
- Any changes to scope of work will be addressed via a Defra change process.
- KPMG to provide weekly updates to Defra on the status of the commission.
- KPMG will bring approaches to this engagement which will include tools and techniques that are complementary to the Defra GCS change management approach.
- For all aspects of this work, there will be a heavy dependency on the timing and quality of information, policies and plans from the core Synergy Programme.

### Risk management

Risks will be managed in weekly management meetings between KPMG and Defra, with a risk and issues log being maintained. Where applicable and per SRO guidance, risks will be triaged to the relevant governance forums at Defra (e.g. GCS Transformation Board).

Weekly project updates to [REDACTED] will be updated weekly on a portfolio basis to:

- Review work completed in the previous week and sign-off activities as required
- Discuss and agree work to be completed in the current week
- Review decisions required by Defra
- Review issues and risks
- Review progress to date
- Review milestone readiness/achievement
- Review financials and spend against planned progress
- Agree any course correction required

### Deliverables

This is a Services to Assist engagement, and activities that KPMG will undertake will be reviewed each week based on Defra priorities.

Any deliverables arising through the course of the engagement, which the supplier will contribute towards or co-develop, will be determined in the weekly project update meetings and agreed mutually between the supplier ([REDACTED]) and Defra ([REDACTED]).

| Deliverable   | Success Criteria | Milestone / Date | Owner (who in the delivery team?) |
|---|------------------|------------------|-----------------------------------|
| <b>Project Stage A</b>                                  |                  |                  |                                   |
|   |                  |                  |                                   |
|   |                  |                  |                                   |
| <b>Project Stage B</b> (additional stages can be added) |                  |                  |                                   |
|   |                  |                  |                                   |
|   |                  |                  |                                   |





| Deliverable                                     | Success Criteria | Milestone / Date | Owner (who in the delivery team?) |
|---|------------------|------------------|-----------------------------------|
| <b>Internal Capability Development Outcomes</b> |                  |                  |                                   |
|   |                  |                  |                                   |
|   |                  |                  |                                   |
| <b>Social Value Outcomes</b>                    |                  |                  |                                   |
|   |                  |                  |                                   |
|   |                  |                  |                                   |

### 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

The Services provided under this DPEL will be based on a time and materials approach. The rates provided below are set by the Framework Agreement with Defra Group.

The resources and number of days are indicative, based on forecast priorities. This resource mix may be adjusted in agreement with [REDACTED] through the weekly project update meetings but will not exceed the total DPEL value.

| Name       | Role (link to stage/s resource will work on) | Grade | Daily rate | # of days | Cost |
|------------|--|-------|------------|-----------|------|
| [REDACTED] |  |       |            |           |      |
|            |  |       |            |           |      |
|            |  |       |            |           |      |
|            |  |       |            |           |      |
|            |  |       |            |           |      |
|            |  |       |            |           |      |
|            |  |       |            |           |      |
|            |  |       |            |           |      |
|            |  |       |            |           |      |
|            |  |       |            |           |      |

**Total resource**

**Total days\*  
Engagement Length\*\***

\*Total days worked across all resources

\*\*Total working days in engagement



## Business Area's team

Outline Business Area staff allocated to support delivery team in completing the engagement including names, roles, responsibilities and any dependencies / scope they will deliver.

## 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 £211,682.10 inclusive of expenses and excluding VAT.

### 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

### Business Area to outline governance and report requirements.

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;
- [Other Business Area reporting requirements to be agreed]

## 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 |
|-----|-----------------|-------------|---------------------|--------------|-----------------------|--------------------|
|-----|-----------------|-------------|---------------------|--------------|-----------------------|--------------------|



|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

### Feedback and satisfaction

As defined above, KPMG will hold weekly management meetings with [REDACTED], to ensure Value for Money and ongoing alignment with existing and emerging priorities within Defra.

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:

- To be agreed through weekly meetings with [REDACTED], and may include for example:
- Knowledge Transfer Plan defining the skills and knowledge to be transferred over to nominated Defra Group staff at the completion of the scope and outcomes.
  - All formal Deliverables signed off by the appropriate nominated individuals from the Defra Group.
  - All Deliverables and assets to be delivered using software/applications accessible to Defra Group staff and handed over to nominated Defra Group staff.
  - Knowledge transfer handover session(s) to ensure that nominated staff can access and maintain assets and deliverables on an ongoing basis.
  - End of project retrospective / lessons learned session to discuss achievements and learnings from across teams.
  - Final handover email / document summarising the completion of all deliverables and how these can be accessed.

### 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"> <li>▪ DPEL agreed</li> <li>▪ DPEL signed: Supplier, Dept and CO</li> <li>▪ Purchase Order number</li> </ul> | <ul style="list-style-type: none"> <li>▪ Work can start</li> <li>▪ Supplier can invoice for work</li> </ul> |

