



Defra Group Management Consultancy Framework: Project Engagement Letter

pEPR – Delivery Partner

Completed forms and any queries should be directed to Defra Group Commercial at DgCConsultancy@Defra.gov.uk

Engagement details			
Engagement ref #	DPEL(Phase 2), Adjunct 2 (Governance)		
Extension?	No	DPEL Ref.	DPEL_61547_020
Business Area	Resources and Waste		
Programme / Project	Collection and Packaging Reforms – Extended Producer Responsibility		
Senior Responsible Officer	[REDACTED]		
Supplier	Deloitte LLP		
Title	Delivery Partner		
Short description	Delivery Partner support for pEPR Programme – Phase 2 (build on main DPEL focussing on SA Governance)		
Engagement start / end date	Proposed start date 11/04/2023		Proposed end date 31/05/2023
Funding source	Budget allocation in Resources and Waste		
Expected costs 21/22	£0		
Expected costs 22/23	£0		
Expected costs 23/24	£133,800		
Dept. PO reference			
Lot #	Lot 2		
Version #	Start at 0.1, 1.0 when approved, increment from 1.0 for Change requests		



Approval of Project Engagement Letter

By signing and returning this cover note, Resources and Waste accepts the contents of this Project Engagement Letter as being the services required and agrees for Deloitte 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
<p>By: _____ Signature</p> <p>Deloitte Partner Signature</p>	<p>By: _____ Signature</p> <p>Policy Signature</p>	<p>By: _____ Signature</p> <p>DgC Signature</p>
<p>or and on behalf of Deloitte LLP _____</p> <p>Deloitte Partner</p>	<p>For and on behalf of Resources and Waste _____ Deputy Director</p> <p>Collection and Packaging Reform Delivery Environmental Quality</p>	<p>Defra Group Commercial _____ EPR Commercial Lead Defra Group Commercial</p>
15/05/2023	15/05/2023	15/05/2023



Department
for Environment
Food & Rural Affairs

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
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Supplier contact: [REDACTED]

Business Area contact: [REDACTED]

1. Background

Following a meeting with Producers, and a follow-up meeting with Secretary of State (23 March 2023), Defra recognised the need to clarify the Scheme Administrator (SA) Governance Board representation and ways of working.

Defra aim to set up and lead stakeholder engagement sessions with Producers and Local Authorities (LAs) to discuss 10 overarching issues related to the running of the SA and how they are addressed in the Management Board. These meetings will allow for producers to collaborate with Government on the structure and operation of the proposed Management Board.

2. Statement of services

Scope

The Supplier will :

- Support Defra and the UK Devolved Administrations to review the trade-offs for each of the four options for the composition of the Management Board which are:
 - 50-25-25% split between producer organisations, local authorities, and government respectively.
 - 25-25-25-25% split between producer organisations, local authorities, waste management organisations, and government respectively.
 - 50-25-25% split between government, producer organisation and local authorities, respectively.
 - 33-33-33% split between producer organisations, local authorities, and government, respectively.
- Analyse the four composition options for the 10 issues that have been raised by producers where those issues would be influenced by the composition of the management board, where the 10 issues are:
 - categorisation
 - cost calculation
 - eco-modulation
 - guidance/advisory
 - monitoring/reporting
 - reporting requirements
 - enforcement and appeals
 - strategy
 - planning
 - stakeholder engagement
- Analyse the four composition options to assess the impact of board membership on specific decision-making topics (which have been identified by Defra).
- Develop 5-7 case studies of international EPR schemes drawing on the Supplier's network in Netherlands, Belgium, France, Germany, California, and Italy, to illustrate:
 - their management board composition
 - how the management board manages stakeholder engagement
 - how the management board manages LA-equivalent cost calculations
 - how the management board manages producer non-compliance
 - how key issues (aligned to the 10 listed above) are solved at management board level.

- Draft the summary materials for the composition analysis and case studies to enable Defra to run up to three stakeholder engagement sessions totalling 8 hours, with producers and local authorities to discuss the management board composition analysis.
- Draft the high level written summary of the 1-3 stakeholder engagement workshop(s).

Assumptions and dependencies

The following assumptions or dependencies have been identified to enable the delivery of this engagement by the Supplier:

Assumptions:

- The Supplier will work remotely (including any workshop activity) and travel to Defra sites or Base Location will not be required.
- Defra and Devolved Authority personnel will be available as required and provide the necessary data or analysis inputs.
- The deliverables will be co-developed by the Supplier and Defra with draft deliverables stored on Defra SharePoint for joint access and inputs. These will be uploaded daily to allow for the Defra team to provide written feedback on the analysis. Final versions will require an acceptance email from the Defra lead client stakeholder upon delivery of final versions.
- The scope of this engagement letter relates specifically to the pEPR programme within the CPR scope. Other activities associated with other projects within the portfolio will be subject to additional engagement letters.

Dependencies:

- Defra shall provide timely access to pEPR project team and materials.

Deliverables

The Supplier will deliver the following deliverables for this workstream:

Deliverable	Deliverable Form	Success Criteria	Milestone / Date (baseline)	Owner (who in the delivery team?)
Management Board Composition				
Analysis of management board composition	Microsoft word / PowerPoint (5-10 slides)	Approval by workstream lead and Programme Director	First draft template: 05/05/23; Second working draft update: 08/05/23 for comments; Third working draft update: 15/05/23 to inform stakeholder deck; Final updated version delivered by 31/05/23. informed by Stakeholder engagement sessions	██████ ██████
Case study analysis				
Case Study Summary	PowerPoint deck (5-10 slides)	Approval by workstream lead and Programme Director	First working draft: 04/05/23 Final updated version delivered by 31/05/23.	██████ ██████
Stakeholder Engagement				
Stakeholder engagement deck	PowerPoint slide deck including intro, conclusion and 10 issue cards for framing the stakeholder engagement (max 30 pages)	Approval by workstream lead and Programme Director	First draft: 04/05/23; Second draft: 10/05/2023 Final version - 2 working days prior to scheduled stakeholder engagement sessions (currently scheduled 19/05/23 onwards)	██████ ██████
Workshop summary	PowerPoint slide (max10 slides)	Approval by workstream lead and Programme Director	Final draft of all decks to be delivered 31/05/2023 contingent to final stakeholder engagement session on 26/05/2023	██████ ██████

Note: All Milestone dates are baseline planning dates and may change (upon written agreement from the contract lead)

Limitations on scope and change control

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 (excl. VAT)	Estimated No. of days	Estimated Cost (excl. VAT)
██████████	Project Manager	██████████ ██████████	██████	█	██████
██████████	Circular Economy UK Lead	██████████ ██████████	██████	█	██████
██████████	Engagement Support	██████████	██████	█	██████
██████████ ██████████	Engagement Support	██████████	██████	█	██████
██████████	Engagement Support	██████████	██████	█	██████
Total					£133,800

Total resource <u>Total days*</u> Engagement Length** *Total days worked across all resources **Total working days in engagement	██████████ █ (Note: this resource will augment the main DPEL resource pool)
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Business Area's team

Name	Role	Contact details
██████████	Defra EPR Programme Director	████████████████████
██████████	Defra EPR Governance Lead	████████████████████
██████████	Defra EPR Comms & Engagement Lead	████████████████████

4. Fees

Defra Group will reimburse the Supplier for scope and deliverables completed as per this DPEL. Work will be charged on a capped Time & Materials basis with the estimated values based on the indicative phases of work. The total fees for the scope of work detailed in this Engagement Letter will be capped at £133,800 inclusive of expenses and excluding VAT.

Stage	Estimated Cost (£)	Estimated Invoicing
Apr		DD/MM/YY
Delivery team for Apr Time & Associated Deliverables	██████	30/04/23
May		
Delivery team for June Time & Associated Deliverables	██████	31/05/23
Expenses		
No additional expenses are anticipated	Nil	
Grand total	£133,800	

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 the Suppliers/consultants.
- The Supplier will notify the EPR team if any conflict of interest emerges and explain how this will be managed

For the avoidance of doubt, KPIs will be used to monitor performance but are not linked to payment.

Key Performance Indicators

KPI	KPI Requirement	Description	Reporting Frequency	Who Measures	Method of Measurement	Performance Target
OT	On Time	Percentage delivery of each milestone on required date, or mutually agreed re-baselined date.	6 th of each month (or closest available day)	Deloitte records, presents to Defra monthly. Mutual Agreement at sign off.	Milestone Date vs Actual	95%

KPI	KPI Requirement	Description	Reporting Frequency	Who Measures	Method of Measurement	Performance Target
IF	In - Full	Percentage RAG Rated. All Milestones delivered in full in accordance with success criteria.	6 th of each month (or closest available day)	Deloitte records, presents to Defra monthly. Mutual Agreement prior to sign off.	100% Completion against success criteria.	96% Green

KPI	KPI Requirement	Description	Reporting Frequency	Who Measures	Method of Measurement	Performance Target
WB	Within Budget	Agreed Work Package delivered on budget.	6 th of each month (or closest available day)	Defra	Invoice vs DPEL	£0.0 cost overrun over Work Package deliverables

Feedback and satisfaction

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

No additional NDAs required.

6. Exit management

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

None other than the provision of the deliverables listed above

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:
consultancy2@Defra.gov.uk
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

