



Department
for Environment
Food & Rural Affairs

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_012		
Extension?	No	DPEL Ref.	Not Applicable
Business Area	Group Corporate Services		
Programme / Project	Synergy Business Readiness		
Senior Responsible Officer	[REDACTED]		
Supplier	KPMG		
Title	GCS Synergy Readiness Planning		
Short description	To prepare a GCS Synergy Portfolio Delivery Plan, underpinned by a set of Governance principles, with recommendations on how to streamline governance to support Synergy readiness going forwards. To lay out the strategic narrative / case for change for Synergy@Defra, to support ongoing change and communications planning.		
Engagement start / end date	Proposed start date 07/03/2024	Proposed end date 30/04/2024	
Funding source (CDEL/RDEL)	RDEL		
Consultancy Spend approval reference	TBC		
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 MCF2 *RM6008* contract (Lot 2- Ref: 28595 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) of the MCF2 call off terms, 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 125% of the Call Off Contract Charges payable in connection with this engagement.

Signatures		
Supplier	Business Area	Defra Group Commercial



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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.

To support Defra to deliver readiness activities, it is important that the Group Corporate Services transformation is supported by effective Synergy readiness portfolio management and governance, and the case for change is clearly articulated and bought-into by key stakeholders.

2. Statement of services

Objectives and outcomes to be achieved

- An overarching Synergy portfolio delivery plan for Group Corporate Services incorporating all Synergy enabling projects, building on the Synergy Readiness Assessment in Feb 2024 to continue the readiness for Synergy and alignment to wider transformation projects across GCS.
- An understanding of existing Synergy at Defra readiness governance and decision-making forums and recommendations on streamlining to oversee delivery of the plan.
- Deriving the future Group Corporate Services transformation narrative supporting the awareness and buy-in to all Synergy readiness initiatives and outcomes.

Scope

Projects and programmes falling into Synergy and Synergy readiness package and connections with the broader the Group Corporate Services Transformation portfolio. This will include Finance, HR, Commercial, as well as Data and Change teams within GCSST. DDTS will also be consulted to ensure a comprehensive and accurate plan is developed..

There will be a need to consider Synergy in-scope ALBs when developing overarching plans and governance arrangements, however engagement with these bodies to support the overarching delivery plan and governance recommendations will need to carefully considered and agreed during the mobilisation meetings with Defra to agree the specific engagement needs and assessed against the time and allowance for this piece of work. A specific plan for ALB scope and



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engagement will be jointly prepared between Defra and KPMG in the project initiation stage to fit within the time and budget parameters.

Assumptions and dependencies

Assumptions:

- Access to stakeholders when needed - Defra will ensure that your stakeholders are informed of the work and the importance of their role to support its success. This will also help to guarantee that stakeholders are aware of tight timescales and therefore can be made available as required.
- Timely provision of current and accurate data - Defra will be able to respond quickly to requests for information/data. Due to the restricted timescales, it is essential that data be provided in a timely manner and as accurately as possible
- Provision of administrative support - 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
- Clear ownership and leadership within the Defra team - There will be clear ownership from a senior member of the Defra GCS team 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.
- Remote working and data sharing - We will hold meetings and workshops using Microsoft Teams. Where necessary information will be exchanged via email to named KPMG email accounts with any deemed sensitive attachments being password protected. Only information that is 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 to provide the final outputs in a Defra supported software/format. The format will be agreed between KPMG and Defra at the beginning of the project.
- Defra will confirm their understanding of the scope of work in writing at the outset of the project

Risk management

- **Resource availability:** These outputs will require significant input from individuals within the Synergy@Defra team, as well as SMEs from functions and teams within the remit of GCS. KPMG will support Defra to identify at the beginning of the work which stakeholders will be required to support, and Defra will be responsible for securing time and commitment from SMEs.
- **Limited timescales for delivery:** The fixed budget for this piece of work and short timeline required means that there will be limited scope for extensive stakeholder engagement. To mitigate this risk, a responsible SME will be allocated for each area with an engagement plan agreed between KPMG and Defra at the beginning of the engagement confirming which stakeholders will be engaged, and what the expectations are. Defra will take the next steps to support ongoing engagement and refinement of plans post-engagement.
- **Functional engagement and buy-in:** Contribution and buy-in from functions and teams within GCS and more widely will be key to ensure a robust and comprehensive plan. The risk that functions/teams are not committed to the exercise is partially mitigated by the Ignition event on 21st March, which will support aligning senior leadership on the vision and purpose of this work.

Deliverables



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A PowerPoint format report consisting of three key components:

1) An overarching portfolio delivery plan:

- Outline portfolio delivery plan for Synergy enabling projects and programmes, aligned to wider Group Corporate Services transformation agenda, with key milestones identified.
- Proposed RACI for projects and programmes within the Synergy-enabling portfolio.
- RAID log to record known risks, assumptions, issues, and dependencies within the Synergy readiness portfolio plan.
- Assess whether identified projects and programmes have the appropriate project documentation in place.

2) Governance principles and recommendations to oversee delivery of the portfolio plan:

- Governance principles for Synergy-enabling projects and programmes in GCS
- Mapping of current state Change/Transformation Governance for Synergy-enabling projects and programmes in GCS, including forums in Synergy, GCS, functions in scope and ALBs
- Recommendations to streamline Change/Transformation Governance for the Synergy-enabling in GCS

3) A strategic narrative and case for change for the Group Corporate Services Transformation journey:

- Commentary on previous narrative work to understand what has worked well before
- Commentary on the high-level benefits to be driven by readiness activities in the first 12 months, with underpinning assumptions and dependencies
- Written version and visual version of the case for change

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Project Stage A			
Portfolio Delivery Plan		19.04.24	
Governance Principles and Recommendations		19.04.24	
Strategic Narrative		19.04.24	
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.



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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
Total					£99,809.00

Indicative resourcing plan, to be confirmed.

Business Area's team

TBC

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 £99,809, inclusive of expenses and excluding VAT.

Provide costs for any particular stages to the engagement.



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Stage	Cost	Due (link to milestone dates)
A		DD/MM/YY
Portfolio Delivery Plan Governance Principles and Recommendations Strategic Narrative	£99,809	19.04.24
B (additional stages can be added)		
Expenses		
None expected and only in accordance with expenses statement below	£	
Grand total	£99,809	

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:

- Weekly KPMG status reports against scope and plan;

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

Due to size and timeline for project, no KPIs identified for reporting.

Feedback and satisfaction

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



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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

