



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_61538_011		
Extension?	N	DPEL Ref.	DPEL_61538_011
Business Area	Planning and Infrastructure		
Programme / Project	Defra Environmental Planning System KPIs		
Senior Responsible Officer	[REDACTED]		
Supplier	KPMG		
Title	DEFRA Environmental Planning System KPIs		
Short description	Develop a set of Key Performance Indicators that are consistent across each agency while allowing for their different remits, in order to monitor performance more holistically		
Engagement start / end date	19/07/2023	Proposed end date 01/09/2023	
Consultancy Spend approval reference	CGB reference for Core Defra only - £100k + (RDEL)		
Expected costs 23/24	£90,621.50		
Expected costs 24/25	£0		
Expected costs 25/26	£0		
Dept. PO reference	[REDACTED]		
Lot #	N/A		
Version #	1.0		

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 [1] - [REDACTED]), with Defra Group and confirms the availability of funding to support recharge for the services.

Signatures		
Supplier	Business Area	Defra Group Commercial
By: [REDACTED] <i>Signature</i>	By: [REDACTED] <i>Signature</i>	By: [REDACTED] <i>Signature</i>
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

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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General Instructions

1. Background

Briefly justify why support is required:
Defra’s environment bodies, Natural England, the Environment Agency, the Marine Management [REDACTED] have a statutory role in the planning system. They are required to provide advice on applications under the Town and Country Planning Act and for Nationally Significant Infrastructure Applications under the Planning Act 2008. They also provide discretionary advice early on in the process which can help to head of issues further down the line.

Performance is currently monitored using a simple metric based on turnaround times. However, the service is coming under increased scrutiny. Government has increased ambitions for the speed of infrastructure delivery. Cost recovery powers being taken under the Levelling Up and Regeneration Act will allow statutory consultees to charge developers for advice. More robust metrics on their performance are therefore needed.

We need to develop a set of Key Performance Indicators that are consistent across each agency while allowing for their different remits, in order to monitor performance more holistically.

Strategic teams in each area are resource-stretched and require external support to develop these performance measures.

This needs to be done, at the latest, in line with the introduction of mandatory cost-recovery for statutory services, which will be implemented from April 2024. It is likely we will consult on these KPIs with industry. If we do so, this will be in November 2023.

2. Statement of services

Objectives and outcomes to be achieved

State and describe the aims of the engagement:




- Develop options for a set of KPIs to monitor the success and effectiveness of planning advice services provided by Defra’s statutory environment bodies.
 - These should be primarily designed to set expectations for developers of the service they can expect from these bodies, whether statutory or discretionary.
 - They should be stretching, but realistic and manageable.
 - They should also drive outcomes for developers and for the environment as a result of advice. This may be challenging to monitor given that environmental outcomes can take decades to become apparent, but we should look for early indicators.
- Develop options for monitoring KPIs, ensuring they produce meaningful results that allow for lessons learned and continuous improvement. This includes, for example, options for logging why response timelines are not met, and qualitative options for monitoring customer service and advice quality.



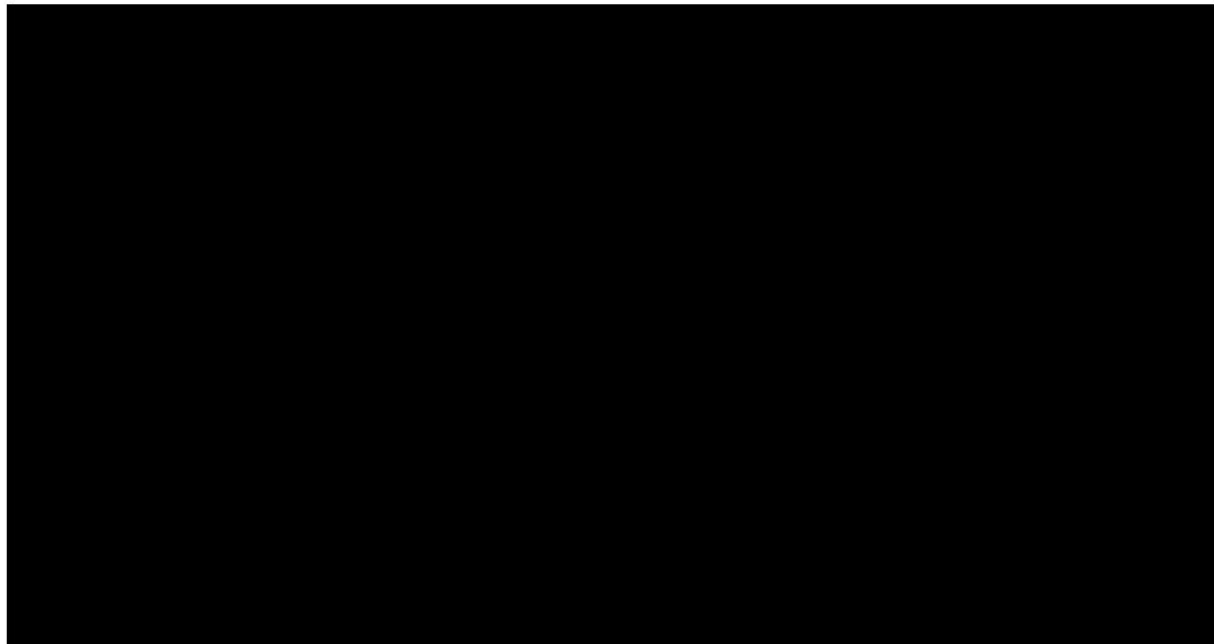
- These should sit above a comprehensive set of metrics monitoring the service at a more granular level. This could include data on for example the reasons for delay, total number of cases etc.
2. Proposed mechanisms to monitor the performance of these KPIs. These should be manageable and realistic, based where possible on existing mechanisms for monitoring. Where IT or process limits restrict these mechanisms these should be made clear by the supplier.
 3. Proposed mechanisms to report performance and escalate issues if needed. These should ideally be through existing performance reporting processes, however if existing reporting processes do not allow for effective reporting then bespoke mechanisms should be proposed.
 4. A realistic, implementable transition plan to ensure that statutory consultees are able to monitoring and reporting mechanisms effectively, and that central Defra colleagues are able to manage the transition.

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Project Stage A			
KPIs covering the breadth of the casework service for; <ul style="list-style-type: none"> • Town and Country Planning Act casework • Nationally Significant Infrastructure Project casework • Across: <ul style="list-style-type: none"> • Natural England • The Environment Agency • The Marine Management Organisation • The Forestry Commission 	Set of KPIs delivered and agreed by leads in each organisation, including Core Defra. KPIs can be variable across different organisations and different types of casework.	13 August 2023	
Proposed mechanisms for monitoring KPIs.	Options delivered and costed for consideration of leads in each organisation	01 September 2023	
Proposed mechanisms to report against KPIs	Options delivered and costed for consideration of leads in each organisation	01 September 2023	
Transition Plan	Plan to implement new monitoring and reporting is realistic and can be implemented by April 2024	01 September 2023	
Project Stage B (additional stages can be added)			
Internal Capability Development Outcomes			
N/A			



Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Social Value Outcomes			
Recruitment, training, retention and/or support of a contract workforce	<p>The development of KPIs will enable better support of Defra's ALBs during the planning process – in turn aiding retention and delivery of other workstreams/priorities.</p> <p>The delivery of the KPIs will also unlock further Govt funding for delivery of workforce improvements.</p>	Ongoing	
Environmental improvements	By improving KPI reporting, the planning process is expected in turn to improve (and have access to further funding streams) that will benefit the delivery of environmentally-friendly planning proposals and responses; e.g. enhancing habitat creation, increasing / protecting biodiversity, green space creation and improving air quality.	Ongoing	
Collaboration with users and communities in the co-design and delivery of future planning proposals	By improving KPI reporting, to improve engagement with different communities and build trust, credibility and relationships to aid integration.	Ongoing	

please note these are subject to the eventual start date of the engagement i.e. if the start is pushed back by a week, then these dates will do so accordingly, to maintain the **6-week plan, as copied below:*



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

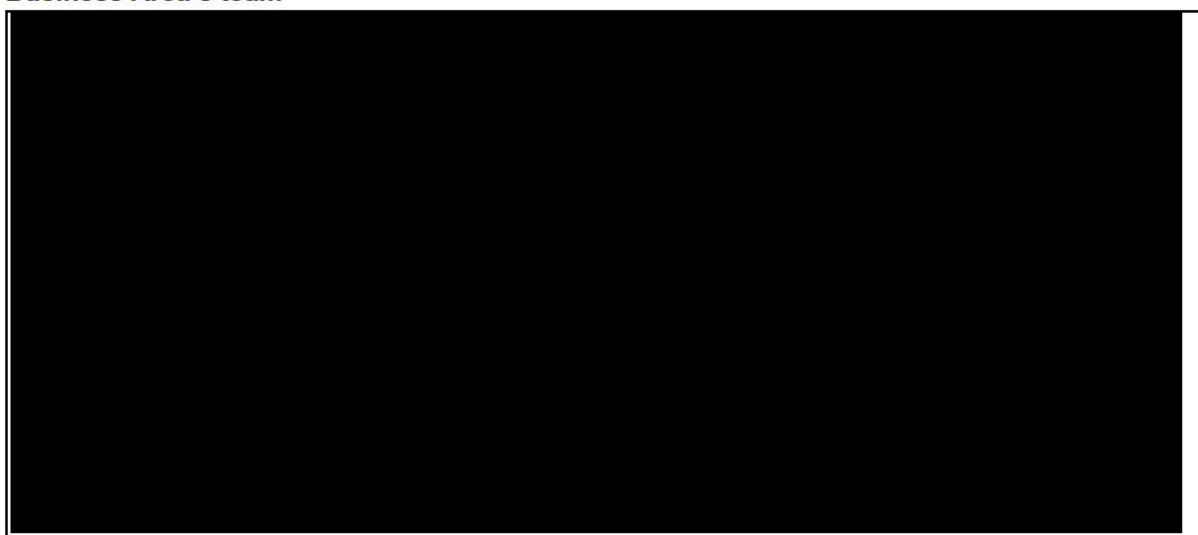
* Days provided for free to the client

** Reduction is cost charging a Principal Consultant at a Senior Consultant rate

Name	Role (link to stage/s resource will work on)	Grade	Daily rate	# of days	Cost
[Redacted Table Content]					

Total resource <p style="text-align: center;"><u>Total days*</u> Engagement Length**</p> <p>*Total days worked across all resources **Total working days in engagement</p>	
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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 £90,621.50, inclusive of expenses and excluding VAT.

Stage	Cost	Due (link to milestone dates) DD/MM/YY
A		DD/MM/YY
<ul style="list-style-type: none"> • Delivery of defined KPIs for each agency, capturing timeliness, advice quality, advice impact – relevant to both TCPA and NSIP planning cases. Ideally these KPIs will be linked into the emerging 'outcome framework' work in-flight. • Proposed mechanisms to monitor performance of the KPIs, based on existing mechanisms, or new proposals – with a clear explanation of 'enablers' to making the mechanism work e.g. people, process, systems • Proposed mechanisms to escalate issues where needed, based on existing mechanisms, or new proposals – with a clear explanation of 'enablers' to make the mechanism work • Realistic and implementable 'high-level' plan to enable central Defra colleagues to implement and embed the scheme by April 2024 (when anticipated cost recovery legislation kicks in) 	£90,621.50	01/09/2023
B (additional stages can be added)		
N/A	£0	
Expenses		
N/A	£0	
Grand total	£90,621.50	



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.

No additional expenses are expected as a result of this contract.

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;
- Half-way point update to be provided for review by the Ministerial Working Group.

Key Performance Indicators

KPI	KPI Requirement	Description	Reporting Frequency	Who Measures	Method of Measurement	Performance Target
1	KPIs covering the breadth of the casework services.	<i>Delivering against the six-week sprint plan</i>	<i>Weekly</i>	<i>Client</i>	<i>Report</i>	Complete
2	Proposed mechanisms for monitoring KPIs					
3	Proposed mechanisms to report against KPIs					
4	Transition Plan					

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.

Weekly review meetings will take place over the 6-week project with an additional two quality review meeting during weeks 3 and 5, and a half-day progress review workshop at mid-point.

Non-disclosure agreements

The overarching MCF2 framework include NDAs

6. Exit management

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

- KPIs covering the breadth of the casework services
- Proposed mechanisms for monitoring KPIs
- Proposed mechanisms to report against KPIs
- Transition Plan

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"> ▪ 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

