



Department
for Environment
Food & Rural Affairs

Defra Group Management Consultancy Call off Contract: Defra Project Engagement Letter (DPEL)

Project Delivery Partner (Lot 3)

Completed forms and any queries should be directed to Defra Group Commercial (DgC) at

██████████ Please do not complete this form until you have liaised with DgC, and they have allocated you a lot to access consultancy services including a DPEL reference number.

Engagement details		
DPEL Reference Number	DPEL_61541_147	
Local Client Reference	N/A	
Extension?	N	
Business Area	Defra Portfolio Directorate	
Programme / Project	DADI: Digitising Operational Frameworks	
Senior Responsible Officer for Programme/ Project Business Area	██████████	
Senior Responsible Officer for DPEL	██████████	
Supplier	Methods Business & Digital Technology	
Title	Digitising Operational Frameworks - Change Management for Functional Standards	
Short description	Methods to provide the EA with business change support and stakeholder engagement to ensure procurement and handover of data is aligned to agreed business functional standards.	
Applicable only if CCN: Summary of changes:	N/A	
Engagement start / end date	Start date 06/05/2025	End date 08/09/2025
Expected costs 25/26	£69,063	
Base location	Remote	
Version #	0.1	
Version Date	07/04/2025	



By signing and returning this cover note, Defra accepts the contents of this Project Engagement Letter as being the services required and agrees for Methods Business and Digital Technology to provide the services in accordance with the agreed Supplier Proposal under the overarching contract (Lot 3 - Ref 28595), with Defra Group and confirms the availability of funding to support recharge for the services.

Signatures		
Supplier	Business Area	Defra Group Commercial

Signature and timestamp to be added through electronic signature.

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 customer to support their evaluation of the Engagement Letter.

The Engagement will be a fully contracted out service therefore the off-payroll legislation will not apply. A true service will have the following characteristics:

- Delivery is fully outsourced to the supplier, who will have full responsibility for delivering the outcome and the risk of non-delivery sits with the supplier.
- The team is not embedded within your organisation but is engaged, directed, and controlled entirely by the supplier.

It is your responsibility to determine whether your Engagement represents a supply of an outsourced managed service or a supply of resource. The reality of working arrangements should be considered and not just contractual terms.



1. Background

With ongoing climate change, evolving societal requirements and ever-changing system complexities, the FCRM teams within Environment Agency (EA) face increased uncertainties. The EA's regulatory role in protecting and enhancing the environment is underpinned by accurate data and information. It is essential that the valuable files, data and information associated with these assets are easily accessible to EA staff across the whole asset management lifecycle and, where relevant external partners. Currently, across different commercial frameworks, there is inconsistency in what asset data and information is requested, received and managed in the operational, maintenance and decommissioning phases of the asset lifecycle across different frameworks. There are several varied local processes for procurement and handover of data and information after the completion of assets, with no national consistency. The lack of consistent commercial arrangements or business processes for the procurement, delivery and management of data and information is affecting asset management operations and maintenance teams. It impacts the EA's ability to produce well-informed asset management decisions and prevents the ability to manage flood risks effectively.

As a result of this, Digitising Operational Frameworks (DOF) within EA is looking to ensure that all frameworks are aligned to business functional standards and are fully compliant with regulations.

To achieve this, the EA requires support and change management expertise to enable the adoption of new, standardized business functional standards. This will involve analysing and liaising with stakeholder groups across frameworks, reviewing the gap analysis to identify the nuanced changes in ways of working to each of the individual frameworks, and working with internal commercial teams and third-party suppliers to work towards requirement compliance. This will be supported by robust communications and a comprehensive business change implementation plan. This work will involve significant engagement across multiple pre-existing frameworks and numerous stakeholders, internal to the Defra Group and in supplier spaces, aligning behaviour and ensuring buy-in as standards are updated and aligned. There are inherent risks in reluctance and resistance to change from suppliers and Methods anticipate this being a challenging initiative.

2. Statement of services

Objectives and outcomes to be achieved, with each objective linked to the Deliverables section

Objective UID:	Objective	Linked to Deliverable(s)
A	To enable the roll out of the new, standardised business functional standards.	D2, D7
B	To identify and fully articulate the potential business and end-user impacts of progressing with the change to incorporate new business functional standards across existing frameworks.	
C	To create a comprehensive communication and engagement plan to support change adoption and engagement efforts.	D3, D7
D	To review and mature stakeholder engagement, analysing channels and segmenting end users into groups to ensure targeted engagement and buy-in.	D4, D7
E	To develop unified change driver communication documentation, for use across identified segmented stakeholder groups to enable awareness, adoption and ultimately compliance with business functional standard frameworks.	D5, D7
F	To identify, with the support of EA commercial teams, commercial accountability mechanism and levers that can hold those third-party suppliers to account for the new business functional standards.	



G	To run a pilot to test the efficacy of the implementation plan activities and identify larger scale issues before full role out. We would conduct lessons learned to ensure long-term implementation success is more assured.	D6, D7
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Scope of Services to be provided:

In scope:	<ul style="list-style-type: none"> • Lead engagement with relevant stakeholders, reviewing and maturing extant analysis and segmenting stakeholders into groups to allow phased roll. • Conduct initial mediation between supplier and EA teams where compliance to business regulatory standards is commercially unfavourable to the 3rd party supplier. • Hold initial third-party supplier engagements to raise awareness of the new business functional standards. • Develop a Business Change Implementation Plan, establishing a clear roadmap to ensure the necessary change occurs. • Develop and execute a Comms and Engagement Plan, co-designing and disseminating communications for identified stakeholder groups. • Conduct initial pilot to test adoption and mitigate issues through lessons learned ahead of wider dissemination. • Liaise with EA and DEFRA Group commercial teams to review supplier accountability mechanisms and ensure proposed procurement framework is aligned to agreed business functional standards before wider dissemination. • Monitor and report on engagement activities, ensuring alignment with project objectives.
Out of scope:	<p>The following services are out of scope of this DPEL and would require a Change Control Notice (CCN) or follow on DPEL to provide:</p> <ul style="list-style-type: none"> • The development of business functional standards • The identification of stakeholders • Communication support for the wider DADI programme • The development or delivery of any training material • Benefits support • Commercial mediation between parties, beyond initial contact facilitation

Assumptions and dependencies

Assumptions and dependencies:	<ul style="list-style-type: none"> • All PPM service delivery will be aligned with central Defra portfolio directorate standards and also EA FCRM expectations and approaches where defined and appropriate. • Methods staff will have access to key stakeholders who are required to deliver the work, who will engage meaningfully and promptly to provide information to support the outcomes. Including to but not limited to Portfolio Manager, Programme Manager, Outcome Delivery Board owner, Business Partner, Compliance Framework owner, Business Functional Standards owner, technical SMEs and any individuals whose sign-off is required. • Relevant stakeholders will engage with pre and post workshop self-assessments. • All relevant stakeholders will be available as necessary for the purposes of knowledge transfer and the transfer of responsibilities and that key topics of interest will be identified and communicated to Methods team for this purpose.
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	<ul style="list-style-type: none"> • Suppliers will be available and willing to engage with the Methods team. • Methods staff will have points of contact both within Defra Group Commercial and EA Commercial. • The project has a detailed stakeholder register and the remit of the DOF project to influence and mandate supplier behavioural requirements has been identified and agreed. • A commercial business partner will regularly liaise with the Methods team to ensure supplier behavioural change is contractually obliged. • Adherence to frameworks and business functional standards will be included in future and extended supplier contracts. • Business functional standards for frameworks have been designed by the EA team. • Upon entry, the Methods team will be made aware of all involved third party suppliers and all the frameworks operating. • Leadership across the programme is aligned in approach and thinking, working in a constructive manner to support the engagements. • Methods staff will have access to all key required data sources to conduct desk-based reviews within the required time so not to impact Methods' delivery windows. • Agreed formats for product delivery will be agreed upfront prior to creation. • Methods staff will be given appropriate access to IT systems as may be required for the purposes of extracting relevant information to support delivery of the outcomes for the duration of the contract. • Any significant changes to the agreed scope will require a Change Control Notice (CCN). • Further detail on assumptions and dependencies will be included in the Service Definition Document.
Further detail on assumptions and dependencies will be included in the Service Delivery Document (SDD) & updated throughout engagement.	

Risk management

Two layers of risk management shall be considered during this engagement:

- Risk to the service provided by Methods to the Client. These risks shall be recorded and mitigated by Methods team and communicated to the named Point of Contact either through regular governance structure or on an ad-hoc basis should a critical risk be raised.
- Risk to the projects which the Methods team are supporting the Client to deliver will be managed through project level risk processes via the Project Manager. Mitigations will be jointly developed.

A Methods Service Delivery level risk register will be produced as part of the SDD which will be shared with the Client so that all identified risks can be mitigated/ managed appropriately.

Additional risks identified at this point are:

- There is a risk that there could be challenges with stakeholder availability and/or engagement that could impact timeframes. Domain knowledge in this space indicates that access to operational teams is particularly difficult and overall stakeholder identification within EA is complex.
- There is a risk that wider changes on direction could impact the requirements on the DPEL which could impact value of agreed outcomes and deliverables. This could prove to be particularly true in relation to the portfolio road mapping exercise.
- There is a risk the Methods team will not have access to the appropriate SMEs in order to push the business functional standards.

3. Deliverables

Service Definition

Unique ID	Deliverable	Date	Success Criteria	Linked objective:
D1	Service Definition Document	20/05/2025	<p>Approval of the following by client business area:</p> <ul style="list-style-type: none"> Deliverable detail including product descriptions and form DPEL delivery governance arrangements DPEL delivery plan & reporting mechanism Overview of Service for communication to include ways of working <p>Document reviewed and signed off by client business area, confirming that the defined service meets projects requirements, is aligned with, and supports the DPEL outcomes.</p> <p>Iterated throughout assignment period as required.</p>	All

Project Delivery

Unique ID	Deliverable	Date	Success Criteria	Linked objective
D2	Change Management Strategy	01/09/2025	This work will define the direction and activities required to allow stakeholder uptake and engagement of new business functional standards.	A, B
D3	Change Impact Assessment	01/07/2025	This will define and assess all in-scope areas of impact and level of criticality to inform the change management strategy.	B
D4	Business Change Implementation Plan	01/09/2025	This is an iterative document and drafts of it need to be seen by the client and agreed throughout the engagement; we will consider a neuroscience and behavioural change approach to the development of the change and implementation plan.	A
D5	Comms and Engagement Plan	01/09/2025	This is an iterative document and drafts of it need to be seen by the client and agreed throughout the engagement.	D
D6	Maturation of stakeholder analysis & channel analysis. This will inform group segmentation activity	01/07/2025	This work will inform the comms and engagement plan deliverable and the change and implementation plan deliverable; the granularity and robustness of these exercises will inform the efficacy of the aforementioned products.	D
D7	Change driver communications collateral	01/09/2025	Communications will be disseminated throughout the engagement through the appropriate channels to the target segmented stakeholder groups. Sign-off	E

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			for these individual products and change collateral will be needed throughout. (A decision tree will be created to assist and streamline the process).	
D8	Commercial lever and mechanism change resistance product	01/09/2025	This will be an articulation of the EA commercial processes and levers that the business can use in order to hold third-parties to account for their compliance with business functional standards.	F
D9	Pilot to test adoption and issues	01/09/2025	The effective testing of the planned implementation phased rollout to one target segmented group and a lessons learned activity conducted on the effectiveness of said implementation plan.	G

Internal Capability Development Outcomes

Unique ID	Deliverable	Date	Success Criteria	Linked outcome
D7	Business Change Knowledge Transfer	01/09/2025	Knowledge transfer needs to be identified, monitored, and planned for throughout the delivery period. Evidence of growing capability systematically and proportionately in line with Programme needs and specifically related to associated tools and information.	All

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 consultation with DgC and subsequent relevant approvals.

4. Delivery management

Supplier Delivery Team

The outcomes-based nature of consultancy services provided through Lot 3 (Ref 28595) dictates that the Supplier retains responsibility and authority to provide the delivery team required to meet the contracted outcomes. The Business Area team should manage any performance concerns directly with the Supplier Team in the first instance with escalation, where necessary, through Defra Group Commercial.

The actual resources used in the delivery may be greater or less than that on which the price is based as the work is undertaken at the Supplier's risk. Should factors materialise that impact successful delivery, through factors outside the Supplier's control that warrant an alteration to time or cost, a change control will be made to this document as well as to the Service Definition Document (SDD).



The SDD is the first standard deliverable used to manage the project and provides the delivery team structure alongside more detail on governance, plan and success criteria.

Business Area's Team

No members of the current team will be directly allocated to support delivery. Candidates for knowledge transfer will be identified on an ongoing basis as appropriate.

5. 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 £69,063 exclusive of expenses and excluding VAT.

This total represents the agreed fixed price of the Supplier for the successful delivery of the contracted outcomes. The fees are based on the expected delivery team using the set framework rates. DgC review the resources and rates as part of commercial due diligence and sign-off.

Stage	Due (link to milestone dates)	Cost
Checkpoint 1 Criteria met to trigger payment: Service Definition Document Maturation of stakeholder & channel analysis and group segmentation Change Impact Assessment		
Project Close Business Change Implementation Plan Change Management Strategy Comms and Engagement Plan Change driver communications collateral Pilot to test adoption and issues All outcomes achieved. All agreed deliverables handed over.		
Grand Total		£69,063
Expenses		
Note: Expenses to the base location as determined for each individual assignment should be included in the rates. Expenses up to 10% of the total DPEL value to other locations will be paid in line with the Client Departments Travel and Subsistence policy and must be approved in advance.		

Payment

The Supplier should invoice at project stage milestones set out in section 4. Defra Group will reimburse fees on confirmation of approval of work delivered by the Business Area.

6. Governance and reporting



Business Area to outline governance and report requirements relevant to the Engagement through Key Performance Indicators below:

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
1.	Availability of Methods	A named delivery contact or delegate will be available to the client for discussions within and outside of DPEL content during working hours.	Ongoing for duration of DPEL	SRO or delegate, with Methods Assurance	Escalation from client team if expected behaviour is not demonstrated	Measured against DPEL & Methods Lot3 agreement.
2.	Regular checkpoints provided by Methods	Fortnightly reporting to ascertain delivery progress, key risks/concerns	Fortnightly	SRO with Methods Assurance	Regular project meetings or telecons	Measured against DPEL deliverables.
3	Delivery of agreed deliverables	These will not be exceeded above agreed tolerance without agreement between all parties	As planned	SRO or delegate, with Methods Assurance	Regular project meetings or telecons	Measured against DPEL deliverables.

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 must be completed as part of the Engagement sign-off. DgC will contact the Business Area to arrange this and share the feedback with the supplier on a bi-monthly basis.

Non-disclosure agreements

The overarching MCF2 framework includes NDAs.

7. Exit management



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

Upon exiting the project engagement, the Supplier will provide all final deliverables alongside supporting handover documents. The exit terms are as detailed in the call off contract framework document.

Notice period

The nature of these engagements requires 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.

Supplier Engagement Process

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 £120k or DgC Corporate Services Delivery Board if under £120k.
2. If over £120k the Spend Control Form must be completed by Business Area and submitted to DgC at:
[REDACTED]
3. 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.
4. A Project Engagement Letter is completed by the Business Area with input from the Supplier (with supporting proposals as appropriate) and support from DgC and then finally agreed between the two parties, including

Approval state	Definition	Permissions
Full approval	<ul style="list-style-type: none">▪ DPEL agreed▪ DPEL signed: Supplier, Dept and DgC▪ Purchase Order number	<ul style="list-style-type: none">▪ Work can start▪ Supplier can invoice for work

evidence of all required approvals either being in place or being progressed. Approval states are: