

## Defra Group Management Consultancy Framework: Project Engagement Letter

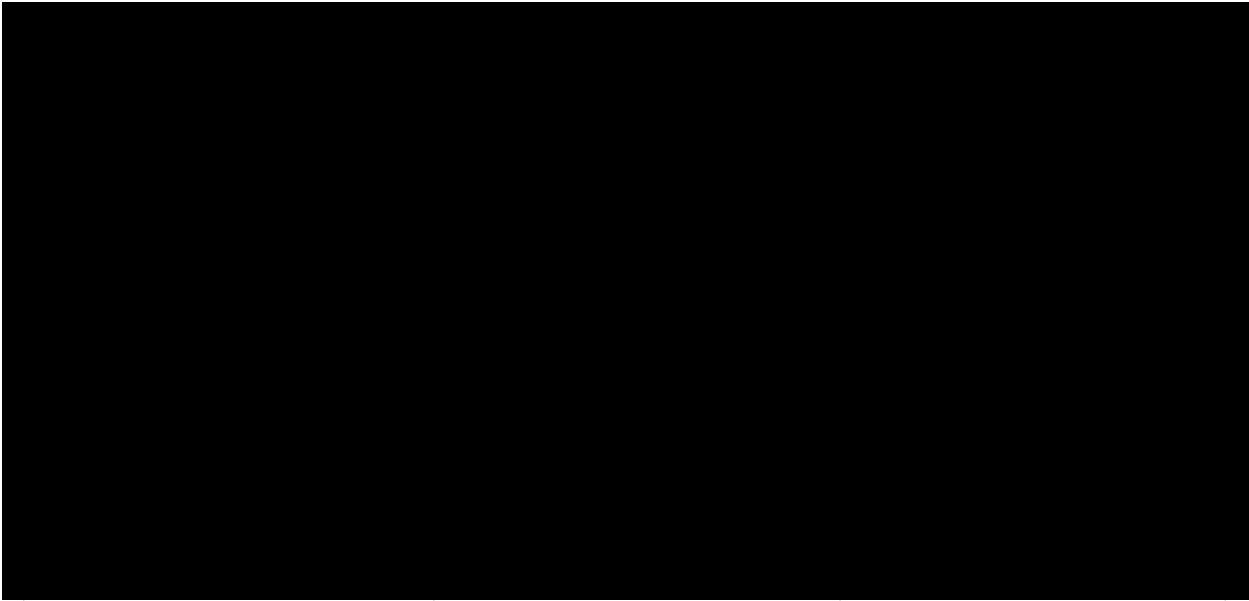
Completed forms and any queries should be directed to Defra Group Commercial at

Engagement details			
Engagement ref #	DPEL_61539_026		
Extension?	No	DPEL Ref.	DPEL_61539_026
Business Area	Defra Group Corporate Strategy – Group Corporate Services- – Sustainability Centre of Expertise (SCoE)		
Programme / Project	Sustainability Consultancy Support (I)		
Senior Responsible Officer	[REDACTED]		
Supplier	Deloitte LLP (“Deloitte”, “the Supplier”)		
Title	Sustainability Consultancy Support (I) – Climate Change Risk and Adaptation Assessment		
Short description	Consultancy support to Defra Group Corporate Strategy – Group Corporate Services - Sustainability Centre of Expertise, to assist the development and implementation of action plans for achieving Defra Group’s sustainability ambitions, as set out in the forthcoming Sustainability Strategy.		
	Support provided under this DPEL will comprise an assessment of climate adaptation risk across Defra Group and identification of recommended actions.		
Engagement start / end date	1 November 2022	31 January 2023	
Funding source	RDEL		
Expected costs 21/22	N/A		
Expected costs 22/23	£94,800 + VAT		
Expected costs 23/24	N/A		
Dept. PO reference	TBC		
Lot #	1		
Version #	v1.0		

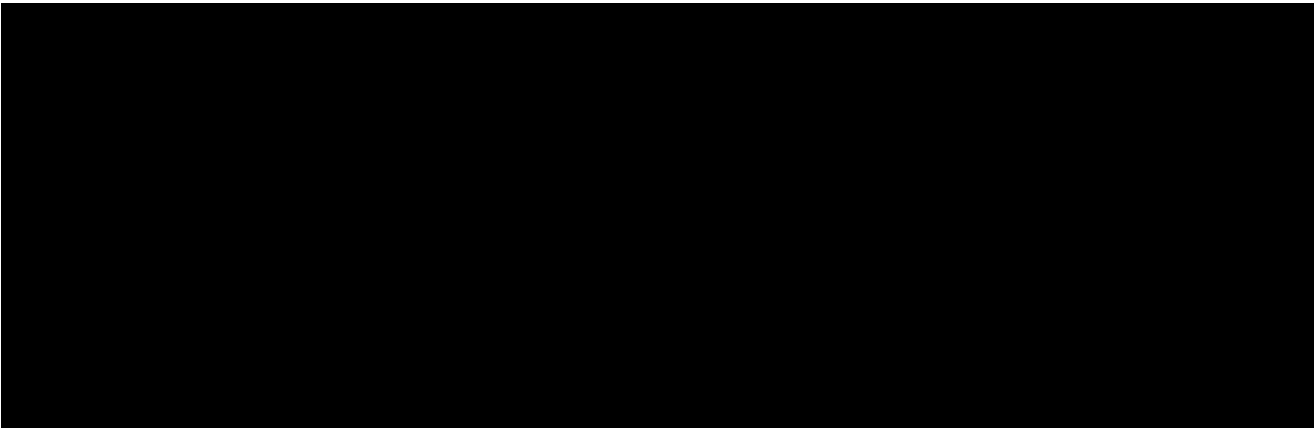


Approval of Project Engagement Letter

By signing and returning this cover note, Defra Group Corporate Strategy accepts the contents of this Project Engagement Letter as being the services required and agrees for Deloitte LLP 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.



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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## 1. Background

Defra Sustainability Centre of Expertise (SCoE) is currently finalising production of the Defra Group Sustainability Strategy. The Strategy (applicable to Core Defra and 32 ALBs) will establish the Group's Vision and Objectives across 4 Priority Action Areas (see figure 0-1 below). Following adoption of the Sustainability Strategy (Q3 2022/23) SCoE will begin work on the development of Action Plans for each Priority Action Area (PAA). Each Action Plan will detail SMART targets, providing metrics by which success against the Strategy's Strategic Objectives can be measured. To develop appropriate targets for improvement it is necessary to establish the baseline- current information and practice across the Group- from which to improve. As such, SCoE are seeking the support of the Supplier in: 1) understanding the baseline (where are we starting from? What do we know now? and 2) engaging and informing stakeholders (e.g, information owners and proposed SMART target owners) from across Defra Group, and 3) proposing suitable targets to inform the first iterations of the Action Plans.

The Adapting to Climate Change PAA has been chosen as a significant area of impact for Defra Group, yet one where there is currently poor understanding of ongoing group-wide activity and potential for improvement action. An additional driver is the Greening Government Commitments which require Defra to produce a Climate Change Adaptation Plan by 2025.

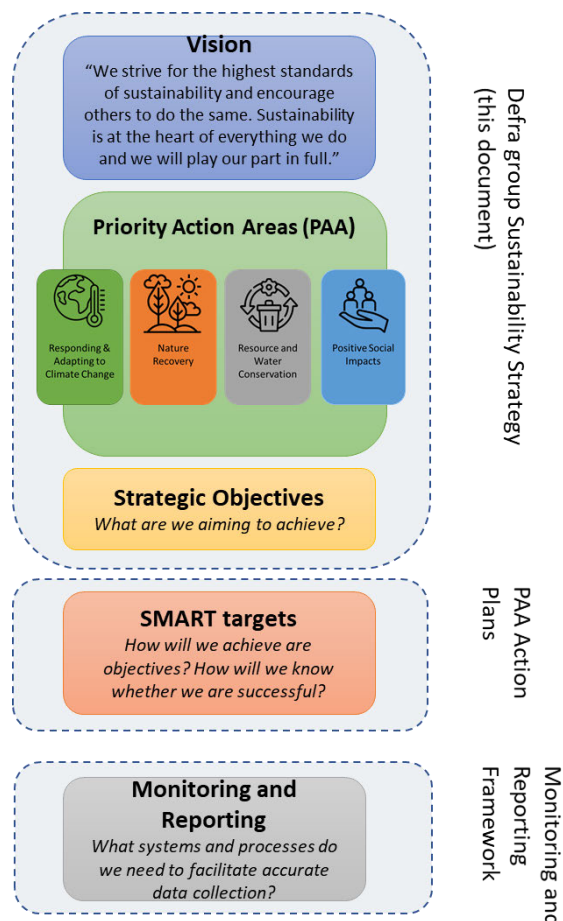


Figure 0-1 Defra Group Sustainability Strategy structure and development stages.

## 2. Statement of Services

### Objectives and outcomes to be achieved

The objective of the Engagement is to support the Sustainability Centre of Excellence to develop the action plan for the Adapting to Climate Change PAA, as set out in Defra Group's forthcoming Sustainability Strategy through the assessment of risk arising from climate change adaptation. It is envisaged that these action plans will be iterative, and the objective of this first phase of work is to identify and qualitatively assess the key climate change adaptation risks for Defra Group, taking into account work which has already taken place across Defra Group and Arms Length Bodies. This Assessment should inform the priority actions, targets and enabling activities which will be necessary to meet the strategic objectives contained within Defra Group's Sustainability Strategy in relation to Adapting to Climate Change.

The intended outcome of the Engagement will be:

1. To provide the Sustainability Centre of Expertise with a baseline understanding of current approaches, targets and processes associated with Climate Change Adaptation across Defra Group, as well as identifying relevant best practice across HM Government;
2. Identify the adaptation risks across Defra Group arising from climate change;
3. Qualitatively assess the adaptation risks identified;
4. Identify recommended 'no/low regret' actions for implementation by Defra Group in relation to Climate Adaptation, drawing on best practice from across Defra Group and HM Government identified during the baseline understanding exercise;

The purpose and objectives of the engagement, including all activities described in the Scope below, cover Defra Group's own operations (i.e. the assets and operational capabilities of Defra Group and Arms Lengths Bodies). The impact Defra Group and Arms Length Bodies can have through policy is explicitly identified as being out of scope for the purpose of this engagement.

### Scope

The Climate Change Risk and Adaptation Risk Assessment workstream will be delivered over three phases: Understand, Design and Activate. A description of the activities under each phase is included below.

Please refer to Annex 1 for a workplan summarising activities under each phase, set to project timelines.

#### Description of activities

**Weekly meetings** – the Supplier will run weekly touchpoint meetings with the key client contacts at a time mutually agreed by the Supplier and Defra Group.

#### *Understand (Weeks 1-4)*

**Stakeholder interviews** – the Supplier will undertake up to 10 hours of interviews with stakeholders from Defra Group, Arm's Length Bodies (ALBs), and/or other UK government departments. Stakeholders will be mutually agreed between the Supplier and Defra Group. The purpose of the interviews is to understand the existence and effectiveness of practices,

activities, processes, monitoring, reporting and governance/oversight relating to Climate Adaptation across Defra Group, and situate this within best practice from across central government.

**Desktop review of existing asset registers and relevant documentation** – the Supplier will request from Defra Group any existing asset registers, including climate adaptation risk assessments, as well as risk mitigation planning, adaptation strategies including details of governance arrangements and monitoring and reporting processes. Defra Group will be responsible for obtaining this information from ALBs and sharing with Supplier. On the basis of the materials provided, the Supplier will aggregate and summarise a Group-level view of assets, relevant characteristics and any available information associated with Climate Adaptation. Gaps in data availability will be highlighted.

### ***Design (Weeks 5-7)***

**Qualitative scenario analysis** – to the extent possible (i.e. depending on the availability of data gathered during the understand phase), the Supplier will undertake a qualitative assessment of physical risk exposure to Defra Group at a national and regional level under two emissions scenarios. The first emissions scenario will align with Representative Concentration Pathway (RCP) 8.5 and the second emissions scenario will align with RCP 4.5. The qualitative analysis will be conducted by drawing on publicly-available sources such as material produced by the Intergovernmental Panel on Climate Change (IPCC), the UK Committee on Climate Change (CCC) and government bodies such as the Environment Agency. The time horizons of 2030, 2050 and 2080 will be used for the purpose of this scenario analysis. The scenario analysis will be conducted at Group level (i.e. risks will be considered to the extent they are material to Defra Group as a whole) and no quantitative analysis will be completed.

**Risks longlisting** – the Supplier will compile a long-list of climate adaptation risks for Defra Group under scenarios and timeframes listed above. For each, the Supplier will provide a working description of the risk driver, the conceptualised impact of the risk on Defra Group and an initial hypothesis rating of impact, likelihood and velocity.

**Risks assessment workshop** – the Supplier will deliver a one day (or two half-day) workshop(s) with key Defra Group stakeholders. The purpose of the workshop will be to iterate on the risk longlist produced by the supplier, qualitatively assess the materiality of the risk (in terms of risk impact and likelihood), prioritise material risk areas and identify an initial series of risk mitigation activities. This workshop will be delivered either virtually or in-person at either Deloitte or Defra Group premises, to be mutually agreed by Defra Group and the Supplier.

### ***Activate (Weeks 8-12)***

**Finalisation of Climate Adaptation Risk Assessment** – the Supplier will summarise the finalised assessment of climate adaptation risks for Defra Group. This will include:

- narrative description of each risk;
- a risk rating for each risk in alignment with materiality thresholds to be mutually agreed between Defra and the Supplier;
- recommendations for improving Defra Group's understanding of material risks (including the appropriateness of further quantitative analysis or site-level analysis)
- high-level recommendations on mitigation actions associated with material risks
- high-level recommendations on enabling activities for Defra Group to deliver on strategic commitments on climate adaptation.

## Assumptions and dependencies

- The Supplier will be responsible for managing and overseeing input from their wider delivery team including the approved Subcontractors, AECOM;
- The Supplier, including wider delivery team, have both the required expertise and the means to resource this project within the timescales agreed but is limited to the particular scope of this Engagement only;
- Defra Group will ensure that the necessary resources are made available to work with the selected Supplier and partners in a timely manner and will provide all reasonable input and guidance as required. In particular, it is Defra Group's responsibility to facilitate access to internal and external stakeholders in a manner consistent with the project timelines set out in Annex 1;
- Defra Group will provide the Supplier with access to all relevant data and artefacts, for example, asset registers and prior work from across Defra Group relating to Climate Change Risk and Adaptation;
- Defra Group will review and provide timely feedback on outputs throughout their development (within 5 working days of draft deliverables being issued);
- Responsibility for decisions and strategic directions chosen during the course of the project sit with Defra Group;
- Comments on deliverables from all Defra Group internal stakeholders will be shared with the Supplier in a single round of consolidated review comments. The Supplier will require a minimum of ten working days to respond to the update drafting of the report on the basis of consolidated comments;
- Unless otherwise mutually agreed at the weekly progress meetings, all work will be performed remotely;
- The project assumptions as set out in the Customer Statement of Work will apply to the Subcontractor under this Statement of Work.

## Deliverables

The Supplier shall produce the following Deliverables:

- **A desktop review of existing asset registers** – a short written summary (either Word or PowerPoint) at Group-level of existing assets, relevant characteristics and any available information associated with Climate Adaptation, including any gaps in data, to provide the Sustainability Centre of Expertise with a baseline understanding of current approaches, targets and processes associated with Climate Change Adaptation across Defra Group, as well as identifying relevant best practice across HM Government (outcome 1).
- **The risk assessment workshop** – summary output (either Word or PowerPoint) from the Risk Assessment Workshop as described in the above scope.
- **The Climate Adaptation Risk Assessment** – a written output (either Word or PowerPoint) of the activities described in the above Scope, to provide the Sustainability Centre of Expertise with:
  - Detail of the adaptation risks across Defra Group arising from climate change (outcome 2);
  - A qualitative assessment of the adaptation risks identified (outcome 3);
  - Recommended 'no/low regret' actions for implementation by Defra Group in relation to Climate Adaptation, drawing on best practice from across Defra Group and HM Government identified during the baseline understanding exercise (outcome 4);

The Supplier agrees to revise the Climate Adaptation Risk Assessment following one round of review comments. The review comments must be communicated by Defra Group to the Supplier within two weeks of receipt of the Climate Adaptation Risk Assessment.

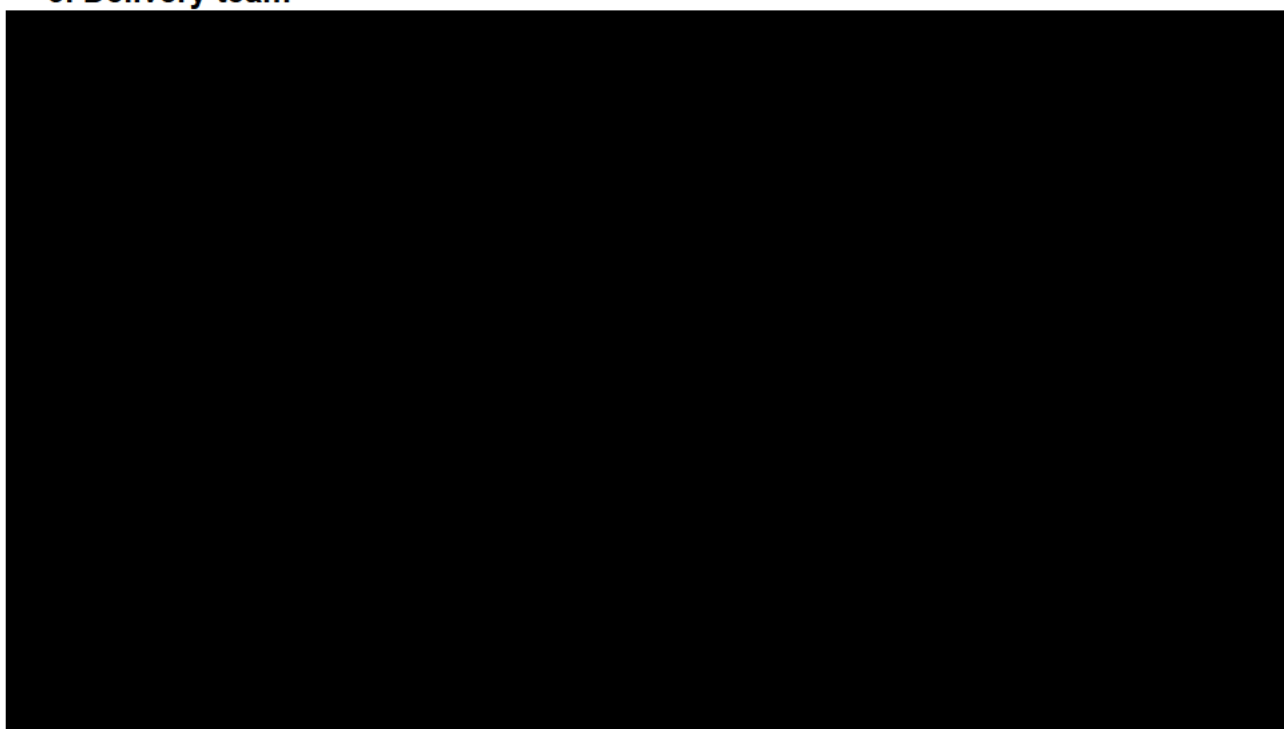
Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Project Stage A			
Desktop review of existing asset registers	Delivery of the desktop review of existing asset registers	Week 4	
Risk assessment workshop	Delivery of the Risk assessment workshop	Week 7	
The Climate Adaptation Risk Assessment	Delivery of the Climate Adaptation Risk Assessment	Week 12	
Internal Capability Development Outcomes			
N/A			
Social Value Outcomes			
N/A			

### 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



the 1990s, the number of people in the United States who are 65 years of age and older has increased by 50 percent, and the number of people 75 years of age and older has increased by 100 percent. The number of people 85 years of age and older has increased by 200 percent. The number of people 95 years of age and older has increased by 400 percent. The number of people 100 years of age and older has increased by 1,000 percent. The number of people 105 years of age and older has increased by 2,000 percent. The number of people 110 years of age and older has increased by 4,000 percent. The number of people 115 years of age and older has increased by 8,000 percent. The number of people 120 years of age and older has increased by 16,000 percent. The number of people 125 years of age and older has increased by 32,000 percent. The number of people 130 years of age and older has increased by 64,000 percent. The number of people 135 years of age and older has increased by 128,000 percent. The number of people 140 years of age and older has increased by 256,000 percent. The number of people 145 years of age and older has increased by 512,000 percent. The number of people 150 years of age and older has increased by 1,024,000 percent. The number of people 155 years of age and older has increased by 2,048,000 percent. The number of people 160 years of age and older has increased by 4,096,000 percent. The number of people 165 years of age and older has increased by 8,192,000 percent. The number of people 170 years of age and older has increased by 16,384,000 percent. The number of people 175 years of age and older has increased by 32,768,000 percent. The number of people 180 years of age and older has increased by 65,536,000 percent. The number of people 185 years of age and older has increased by 131,072,000 percent. The number of people 190 years of age and older has increased by 262,144,000 percent. The number of people 195 years of age and older has increased by 524,288,000 percent. The number of people 200 years of age and older has increased by 1,048,576,000 percent. The number of people 205 years of age and older has increased by 2,097,152,000 percent. The number of people 210 years of age and older has increased by 4,194,304,000 percent. The number of people 215 years of age and older has increased by 8,388,608,000 percent. The number of people 220 years of age and older has increased by 16,777,216,000 percent. The number of people 225 years of age and older has increased by 33,554,432,000 percent. The number of people 230 years of age and older has increased by 67,108,864,000 percent. The number of people 235 years of age and older has increased by 134,217,728,000 percent. The number of people 240 years of age and older has increased by 268,435,456,000 percent. The number of people 245 years of age and older has increased by 536,870,912,000 percent. The number of people 250 years of age and older has increased by 1,073,741,824,000 percent. The number of people 255 years of age and older has increased by 2,147,483,648,000 percent. The number of people 260 years of age and older has increased by 4,294,967,296,000 percent. The number of people 265 years of age and older has increased by 8,589,934,592,000 percent. The number of people 270 years of age and older has increased by 17,179,869,184,000 percent. The number of people 275 years of age and older has increased by 34,359,738,368,000 percent. The number of people 280 years of age and older has increased by 68,719,476,736,000 percent. The number of people 285 years of age and older has increased by 137,438,953,472,000 percent. The number of people 290 years of age and older has increased by 274,877,906,944,000 percent. The number of people 295 years of age and older has increased by 549,755,813,888,000 percent. The number of people 300 years of age and older has increased by 1,099,511,627,776,000 percent. The number of people 305 years of age and older has increased by 2,199,023,255,552,000 percent. The number of people 310 years of age and older has increased by 4,398,046,511,104,000 percent. The number of people 315 years of age and older has increased by 8,796,093,022,208,000 percent. The number of people 320 years of age and older has increased by 17,592,186,044,416,000 percent. The number of people 325 years of age and older has increased by 35,184,372,088,832,000 percent. The number of people 330 years of age and older has increased by 70,368,744,177,664,000 percent. The number of people 335 years of age and older has increased by 140,737,488,355,328,000 percent. The number of people 340 years of age and older has increased by 281,474,976,710,656,000 percent. The number of people 345 years of age and older has increased by 562,949,953,421,312,000 percent. The number of people 350 years of age and older has increased by 1,125,899,906,842,624,000 percent. The number of people 355 years of age and older has increased by 2,251,799,813,685,248,000 percent. The number of people 360 years of age and older has increased by 4,503,599,627,370,496,000 percent. The number of people 365 years of age and older has increased by 9,007,199,254,740,992,000 percent. The number of people 370 years of age and older has increased by 18,014,398,509,481,984,000 percent. The number of people 375 years of age and older has increased by 36,028,797,018,963,968,000 percent. The number of people 380 years of age and older has increased by 72,057,594,037,927,936,000 percent. The number of people 385 years of age and older has increased by 144,115,188,075,855,872,000 percent. The number of people 390 years of age and older has increased by 288,230,376,151,711,744,000 percent. The number of people 395 years of age and older has increased by 576,460,752,303,423,488,000 percent. The number of people 400 years of age and older has increased by 1,152,921,504,606,846,976,000 percent. The number of people 405 years of age and older has increased by 2,305,843,009,213,693,952,000 percent. The number of people 410 years of age and older has increased by 4,611,686,018,427,387,904,000 percent. The number of people 415 years of age and older has increased by 9,223,372,036,854,775,808,000 percent. The number of people 420 years of age and older has increased by 18,446,744,073,709,551,616,000 percent. The number of people 425 years of age and older has increased by 36,893,488,147,419,103,232,000 percent. The number of people 430 years of age and older has increased by 73,786,976,294,838,206,464,000 percent. The number of people 435 years of age and older has increased by 147,573,952,589,676,412,928,000 percent. The number of people 440 years of age and older has increased by 295,147,905,179,352,825,856,000 percent. The number of people 445 years of age and older has increased by 590,295,810,358,705,651,712,000 percent. The number of people 450 years of age and older has increased by 1,180,591,620,717,411,303,424,000 percent. The number of people 455 years of age and older has increased by 2,361,183,241,434,822,606,848,000 percent. The number of people 460 years of age and older has increased by 4,722,366,482,869,645,213,696,000 percent. The number of people 465 years of age and older has increased by 9,444,732,965,739,290,427,392,000 percent. The number of people 470 years of age and older has increased by 18,889,465,931,478,580,854,784,000 percent. The number of people 475 years of age and older has increased by 37,778,931,862,957,161,709,568,000 percent. The number of people 480 years of age and older has increased by 75,557,863,725,914,323,419,136,000 percent. The number of people 485 years of age and older has increased by 151,115,727,451,828,646,838,272,000 percent. The number of people 490 years of age and older has increased by 302,231,454,903,657,293,676,544,000 percent. The number of people 495 years of age and older has increased by 604,462,909,807,314,587,353,088,000 percent. The number of people 500 years of age and older has increased by 1,208,925,819,614,629,174,706,176,000 percent. The number of people 505 years of age and older has increased by 2,417,851,639,229,258,349,412,352,000 percent. The number of people 510 years of age and older has increased by 4,835,703,278,458,516,698,824,704,000 percent. The number of people 515 years of age and older has increased by 9,671,406,556,917,033,397,649,408,000 percent. The number of people 520 years of age and older has increased by 19,342,813,113,834,066,795,298,816,000 percent. The number of people 525 years of age and older has increased by 38,685,626,227,668,133,590,597,632,000 percent. The number of people 530 years of age and older has increased by 77,371,252,455,336,267,181,195,264,000 percent. The number of people 535 years of age and older has increased by 154,742,504,910,672,534,362,390,528,000 percent. The number of people 540 years of age and older has increased by 309,485,009,821,345,068,724,781,056,000 percent. The number of people 545 years of age and older has increased by 618,970,019,642,690,137,449,562,112,000 percent. The number of people 550 years of age and older has increased by 1,237,940,039,285,380,274,899,124,224,000 percent. The number of people 555 years of age and older has increased by 2,475,880,078,570,760,549,798,248,448,000 percent. The number of people 560 years of age and older has increased by 4,951,760,157,141,521,099,596,496,896,000 percent. The number of people 565 years of age and older has increased by 9,903,520,314,283,042,199,193,993,792,000 percent. The number of people 570 years of age and older has increased by 19,807,040,628,566,084,398,387,9

Costs summarised for engagement stages.

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 (which for the purposes of this Engagement Letter is defined as





Central London). Only expenses for travel at the Business Area's request from this base can be charged. Should Defra Group and the Supplier mutually agree on in-person workshops (as described in the Scope).

### **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.

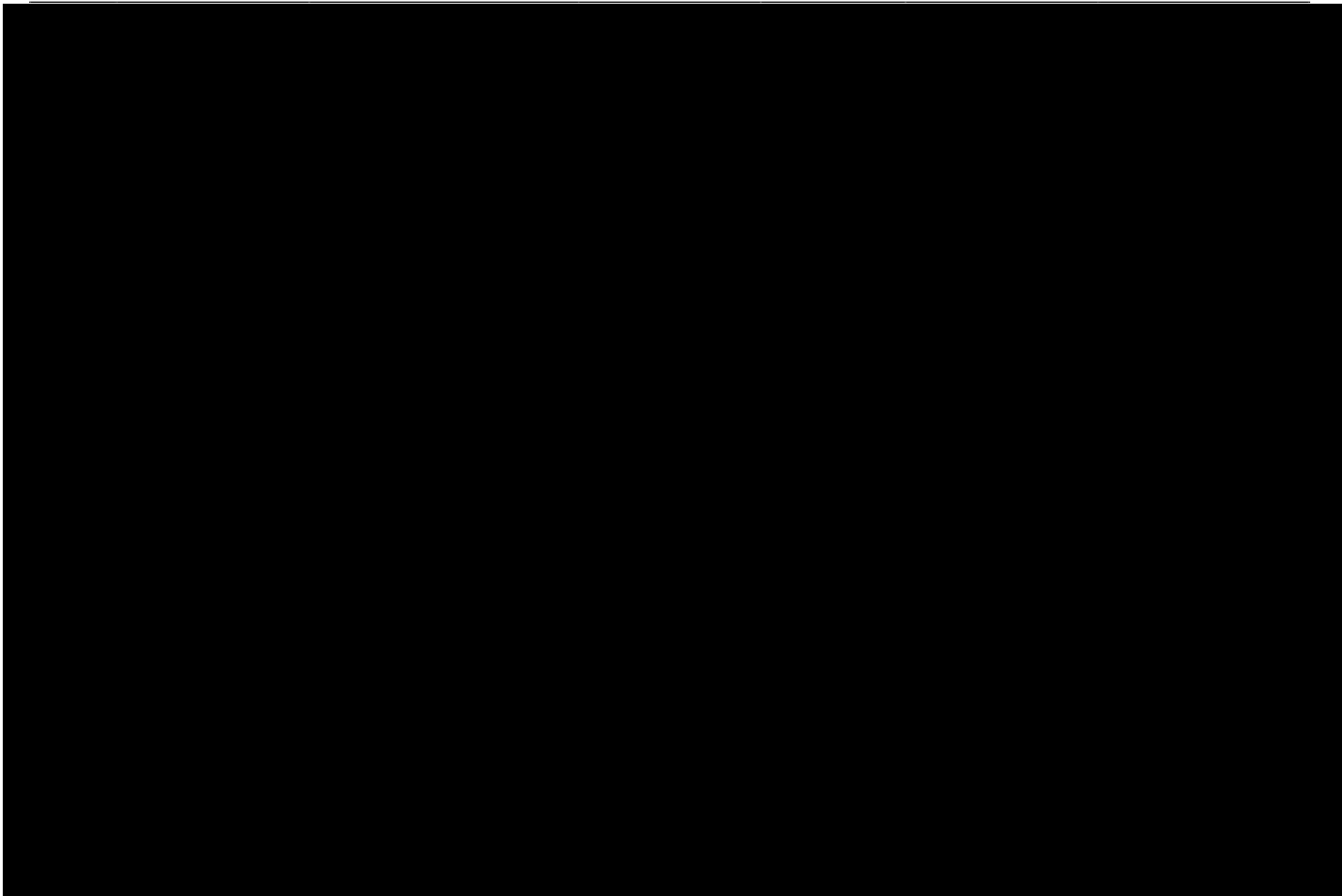
## **5. Governance and reporting**

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; and
- Weekly progress update against the agreed activities and deliverables.

### **Key Performance Indicators**

Business Area and Supplier to agree any specific key performance indicators related to this specific project engagement.



### 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

It is not expected that there will be a need for any additional NDAs for this project. The overarching MCF2 framework include NDAs.

## 6. Exit management

The agreed actions and Deliverables by the Supplier for when the Project Engagement Letter ends are as follows:

The Business Area Project Managers will be embedded within the Delivery Team to enable ongoing knowledge transfer throughout the project and ensure sufficient stakeholder engagement for the Business Area.

It is expected that at the end of the project, the Supplier will provide an executive summary as part of the Climate Adaptation Risk Assessment that can be disseminated by the Business Area. The Supplier may also support with an end of project briefing meeting for the Business Area stakeholders.

A short review will be undertaken between the Business Area's Team, Supplier and associated delivery partners nearing completion of this work to review the report / write-up of final outputs.

Following this review and agreement of final outputs a project sign-off will be given. See above for the project's KPIs.

### 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.

### Guidance notes:



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. [REDACTED] 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>

Annex 1: Climate Change Risk and Adaptation Climate Change and Adaptation – Work Plan

ACTIVITY	WEEK	1	2	3	4	5	6	7	8	9	10	11	12
	PHASE	UNDERSTAND				DESIGN			ACTIVATE				
Weekly meetings		◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Stakeholder interviews		◆	◆	◆	◆	◆	◆						
Desktop review of existing asset registers					★								
Qualitative Scenario Analysis													
Risks Longlisting													
Risks Assessment Workshop								★					
Finalisation of Risk Assessment											◆		
Risk Assessment quality assurance and handover													★

★ Deliverable  
◆ Milestone

We anticipate that there will be a project break with no work taking place from Monday 19<sup>th</sup> December 2022 to Friday 30<sup>th</sup> December 2022 due to UK Christmas holidays. Week 8 will resume on Monday 2<sup>nd</sup> January 2023.