

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_61541_091		
Extension?	N	DPEL Ref.	
Business Area	FCRM Improvement Portfolio		
Programme / Project	Environment Agency- FCRM P3M3 Maturity		
Senior Responsible Officer	[REDACTED]		
Supplier	Methods Business and Technology		
Title	Environment Agency- FCRM P3M3 Maturity		
Short description	To implement P3M3 activity to drive up the Portfolio's maturity level, in particular, creating and embedding artefacts, processes and training for Portfolio & Project Managers.		
Engagement start / end date	Proposed start date 11/9/23	Proposed end date 29/01/23	
Funding source (CDEL/RDEL)	RDEL		
Consultancy Spend approval reference	Supplied by DgC		
Expected costs 22/23	£0		
Expected costs 23/24	£81,775		
Expected costs 24/25	£0		
Dept. PO reference	Dept. PO reference # (to allow for Defra Group recharge)		
Lot #	Lot 3		
Version #	V1.0		

Approval of Project Engagement Letter

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

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





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

Following on from a very successful project to assess the P3M3 maturity level of the Portfolio, and design a roadmap of improvements, the PMO would like to work alongside Methods to implement artefacts and processes to enable streamlined ways of working, and a single approach to Project Management.

2. Statement of services

Objectives and outcomes to be achieved

The objectives and outcomes for this work are separated into two key areas:

Workstream 1- Project artefact and process maturity

1. A review of progress since end of last DPEL (gap analysis between current status and to be state) to identify process improvement required
2. A full review of processes and artefacts against central Defra PPM artefacts
3. Work with the PMO and Portfolio to confirm Defra (or similar) PPM artefacts are suitable for use, or if a hybrid of Defra templates and more tailored project control documentation should be used. In the case of the latter, Methods will work with the CoE to develop the new artefacts
4. Engagement with the PPM team and wider FCRM Portfolio at an initial workshop to understand immediate priorities for improvement, and set up future working groups to trial and feedback on artefacts and processes
5. Deliver further engagement with PMs to build understanding and transition plans to new documentation and approach – partnership working rather than enforced compliance.
6. Training on how to use each artefact and process
7. Working with Portfolio CoE to implement training and assurance

Workstream 2 – PMO P3M3 Maturity level 4 for FCRM Projects

8. A review of progress since end of last DPEL to understand current PMO maturity based upon activities completed since the P3M3 maturity assessment was conducted, and updating the assessment artefact respectively
9. Assessment of P3M3 level 4 requirements for PMO and projects, and agree activities needed in line with workstream 1
10. Provide a gap analysis and maturity plan for current maturity and which activities are needed to mature to P3M3 level 4 and project level only
11. Aid maturity across Portfolio Managers in conjunction with step change approach for Projects Managers, supporting the wider implementation aims and build Portfolio practice.
12. Work with the Portfolio CoE to implement training and assurance of maturity

Scope

The scope of this work is limited to the activities agreed within this DPEL as outlined below unless modified through formal change control processes.

Service Definition Document (SDD)

Working document developed and agreed between the Business Area and Methods once initial data and stakeholder mapping is complete, detailing product descriptions with quality criteria, plan and project governance. This is subject to regular review through checkpoint meetings as part of ensuring delivery progress is in line with agreed DPEL requirements and outcomes. Also contains service description for client communication to wider stakeholders. See template in appendix a.

List of Scope/ phases

Phase 1 –

- Fact finding and surveys/discovery workshop. Confirmation of artefacts for development. Focus on implementation and deployment of Project artefacts, process, exemplars to PMs

Phase 2 –

- Portfolio level implementation and deployment – linking to Phase 1 deployment and use of aggregated reporting and assurance at the Portfolio level

Phase 3 –

- Wider Portfolio Office maturity assessments as Phases 1 & 2 deploy and embed.

Handover activity will occur to any incoming contingent labour resource, rather than specific knowledge transfer activity and/or ongoing training.

Contingent labour resources are responsible for further knowledge transfer / handover / training to Defra staff

Assumptions and dependencies

Assumptions

- That Methods staff will have access to key stakeholders who will engage meaningfully and promptly to provide information to support the outcomes.
- That Methods staff will have access to all key data sources as may be required to support the development of the deliverables and assess progress against the outcomes
- That clear guidance on required formats for product delivery will be provided to Methods staff.
- Methods staff will be given appropriate access to IT systems as may be required for the purposes of extracting relevant information, storing, and managing working documents and for any other legitimate purpose as may be necessary for the length of the contract.
- That 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 the Methods team for this purpose.

- That there will be a formal review of the DPEL at the half-way point to determine which of the Delivery capabilities have been successfully transferred to the client teams and which services need to continue as determined by joint Defra and Methods Assurance, either as defined or on a reduced scale (**Note only for Knowledge transfer**)

Dependencies

- Transfer of responsibility (of services) is dependent on there being staff in place, with the capabilities to own their particular service and with sufficient time throughout the length of the engagement
- Strong leadership of the business area to ensure capacity and capability is built and staff are receptive to Methods knowledge transfer, coaching and able to undertake activities as required for their role
- Leadership across the programme is aligned in approach and thinking, works in a constructive manner to support the programme as a whole.

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 staff and communicated to the named Point of Contact either through the 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 PMO. 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 DEFRA so that all identified risks can be mitigated/managed appropriately.

Deliverables

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Production of Work Package Management Documentation			
Service Definition Document (SDD)	Document reviewed and signed off by SRO (or delegate), confirming that the defined service meets projects requirements, is aligned with and supports the DPEL outcomes.	Completion 29/9/2023	Delivery Manager
Workstream 1			
Fact Finding / Discovery	Workshop (planned for 12/9) and wider surveys to confirm approach, engage EA colleagues and build consensus. Delivering a pragmatic approach to deployment.	<i>Throughout delivery period</i> Completion By 31/10/23	Maturity & Collateral Lead

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Report on current status of PMO and PPM team, and priorities of improvements to be made	Gap analysis completed, detailing which activities have been completed since maturity assessment completion. List of priority areas, following engagement with PPM team. Plan for artefact creation, embedding and training.	<i>Throughout delivery period</i> Completion By 31/10/23	Maturity & Collateral Lead
Project Management & Artefact Development	Relevant and proportionate project artefacts and control documentation developed for all key PPM processes.	<i>Throughout delivery period</i> Completion By 1/12/23	Maturity & Collateral Lead Collateral Development
Workstream 2			
Embedding of artefacts and processes	All staff have been trained on new ways of working, use of artefacts and end to end processes.	<i>Throughout delivery period</i> Completion By 1/12/23	Maturity & Collateral Lead
Maturity of Practice	Evidenced progression of L4 maturity assessment across Portfolio and Project. Senior stakeholders recognise shift in structure, wider Portfolio practice and evidence to demonstrate consistencies in place	<i>Throughout delivery period</i> Completion By 1/12/23	Maturity & Collateral Lead
Knowledge Transfer	Provision of planned knowledge transfer including handover of key artefacts to identified members of the existing project team. Planned throughout delivery period. Approach and completion approved by the customer team.	<i>Throughout delivery period</i> Completion By 1/12/23	Delivery Manager

Limitations on scope and change control

Unless instructions to the Supplier are later amended in writing and approved by change control, the work undertaken will be restricted to that set out above. In providing the services detailed above, the Supplier will be reliant 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 SDD will provide further detail of each of the services to be provided.

Service	Role	# of days	Daily rate	Cost
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
TOTAL COST				£81,775

Total resource <u>Total days*</u> Engagement Length** <small>*Total days worked across all resources</small> <small>**Total working days in engagement</small>	[REDACTED]
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Business Area's team

[REDACTED]

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 £88,426, inclusive of expenses and excluding VAT.

Stage	Cost	Due (link to milestone dates)
Checkpoint Review		DD/MM/YY
Progress against the outcomes and deliverables as set out in this DPEL.	£40,887.50	[REDACTED]
Phase X Completion		
Completion of all deliverables and successful outcomes as set out in this DPEL and finalisation of all knowledge transfer activity	£40,887.50	[REDACTED]
Expenses		
Where travel outside London (or agree base location) is required, further Purchase Order cover will be agreed to reimburse at the conclusion of the work, in line with Defra expense policy.	-	-
Grand total	£81,775	

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 our consultants;
- The business area, through the principal contact, will work closely and will require a minimum weekly progress report. All new risks to delivery should be reported immediately or as soon practicable

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	Weekly reporting to ascertain delivery progress, key risks/concerns	Weekly	SRO with Methods Assurance	Regular project meetings	Measured against DPEL deliverables.
3	Delivery of agreed deliverables	Baselined plans detail agreed delivery dates. These will not be exceeded above agreed tolerance without agreement between all parties	Weekly	SRO or delegate, with Methods Assurance	Regular project meetings	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 of the engagement will be arranged where the Business Area rates the services provided.

Non-disclosure agreements

The overarching MCF2 framework include NDAs.

It is expected that this work will be undertaken under the NDA as part of the Defra Consulting Framework. Any additional NDA agreements will need to be assessed and agreed separately.

6. Exit management

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

Knowledge Transfer:

Specific transfer outcomes will be tracked through regular reporting and evaluated through a review of completed knowledge transfer logs and reports, including sign off from individual knowledge recipients

The skills and expertise transferred back to the internal Defra team will help improve efficiency and effectiveness, and provide a framework to deliver future strategic projects

The supplier will provide: All documents, reports, excel files, presentations

The supplier will delete: any commercially information that is not required to be kept

The supplier will prepare a handover note of any outstanding issues

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 	<ul style="list-style-type: none"> ▪ Work can start ▪ Supplier can invoice for work

	▪ Purchase Order number	

