

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_61545_012				
Extension?	No	DPEL Ref.	N/A		
Business Area	Environment Agency, National Operations, Incident management and Resilience				
Programme / Project	Incident Management Programme, Incident Management Investment Scenarios (IMIS)				
Senior Responsible Officer	[REDACTED] (DD Strategy Service and Investment Project Sponsor and SRO)				
Supplier	PA Consulting Services Limited				
Title	IMIS: Incident Management Value Chain Analysis				
Short description	<p>Short description of work to be delivered:</p> <ol style="list-style-type: none"> VCA Undertake value chain analysis for the Incident Management Service using the dynamic tool developed for and familiar to the Environment Agency. VCA to show the flow of income-activity-output-outcome And possibly overlay with the management information to enable better decisions on how we make the best use of our resources. Benefits Mapping Potential additional work IM Service Benefits Mapping – what benefits would we want from the future service of 2040 Scope to include data requirements, cost and timescale. 				
Engagement start / end date	Proposed start date 30/1/23	Proposed end date 31/3/23			
Funding source (CDEL/RDEL)	RDEL				
Consultancy Spend approval reference	FSOD reference for ALB				
Expected costs 22/23	[REDACTED]				
Expected costs 23/24	[REDACTED]				
Expected costs 24/25					

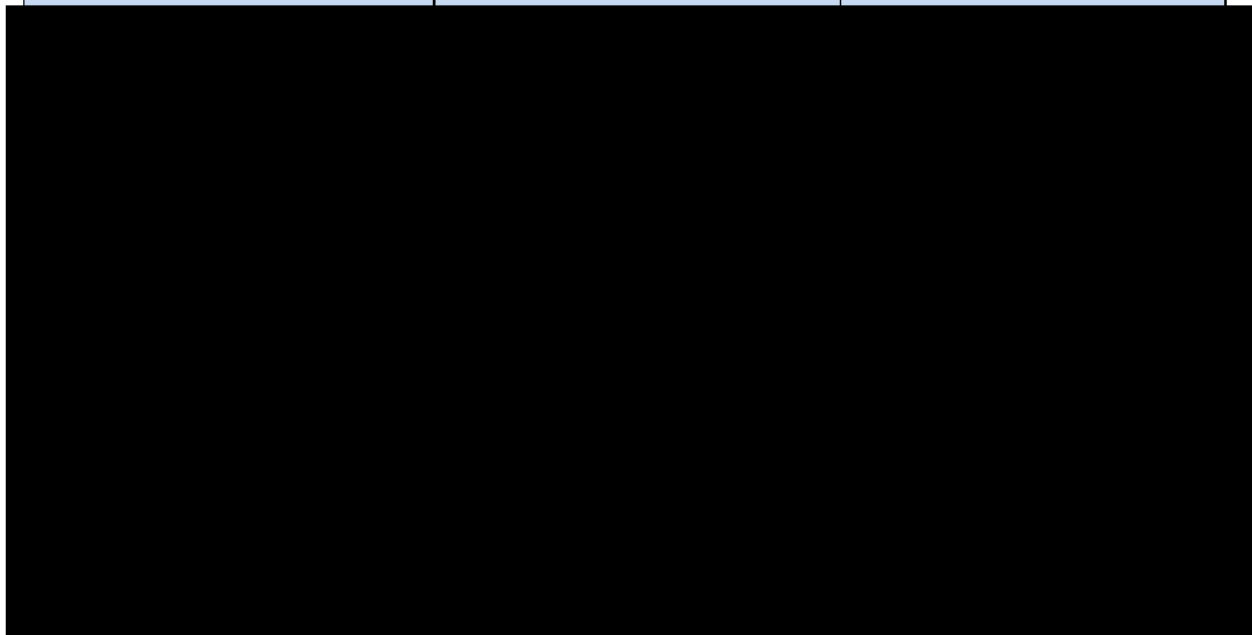


Dept. PO reference	Dept. PO reference # (to allow for Defra Group recharge)
Lot #	Lot 2
Version #	1.0

Approval of Project Engagement Letter

By signing and returning this cover note, Incident Management and Resilience in the Environment Agency accepts the contents of this Project Engagement Letter as being the services required and agrees for PA Consulting to provide the services in accordance with the agreed Supplier Proposal under the overarching contract (Lot 2] - Ref 28595), with Defra Group and confirms the availability of funding to support recharge for the services.

Signatures		
Supplier	Business Area	Defra Group Commercial



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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Supplier contact: [REDACTED]

Business Area contact: [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]

1. Background

We need to undertake a value chain analysis (VCA) of the Incident Management Service. This will provide us with a baseline service overview indicating where the value lies within our service. At present we do not have this information. We require this to inform our future investment decisions, our current service and work establishing the value for money of our service. It will also support decisions as to where to direct further cost benefit analyses.

Our team in Incident Management does not have the in-house expertise to undertake VCA in house and would not expect to have or develop this expertise.

In the wider organisation the Future Funding team is currently building up the expertise in this work area but cannot undertake the work on our behalf. We would therefore like to buy in the expertise. In doing so, we are seeking to use and involve the Future Funding team in this work as much as possible particularly as intelligent clients. Their involvement alongside Incident Management Service staff will enable knowledge transfer.

We also have an optional requirement for consultants to undertake an Incident Management service benefits mapping exercise based on the current IM Strategy. This would enable a benefit led approach to be undertaken by the IM service identifying benefits required to 2030. We will act as intelligent client to ensure our expertise develops in this area and to enable knowledge transfer.

2. Statement of services

Objectives and outcomes to be achieved

We would like consultants to run workshops with representatives across the service including a group of our service experts and strategic managers.

The outputs from the workshops will: be a whole service VCA model for the Incident Management Service,

and (optional dependent on cost constraints) a whole service benefits map based on our current Incident Management Strategy.

This work should enable us to see the value pathway and connection between cost-activity-output and outcome, and also allow us to set clear objectives for our current and future service.

From the VCA our aim is to:

- Understand our baseline service model.
- Identify gaps in our service (so that short- and long-term scenarios can be worked up to fill those gaps).
- Identify efficiencies.
- Better understand service value and quantify our outcomes.
- Monetise the service.
- Service incident cost recovery data is better understood.

For the optional benefits mapping our aim is to:

- Define future 2030 service benefits contributing to future outcomes.

- Enable our service to be benefits led, and our improvements can easily demonstrate the benefit they bring to the service, furthermore we can measure the service improvement we invest in.

The intermediate outcomes from the VCA and benefits mapping contribute to our overall project aim which is to ensure we have a trusted business model for Incident Management that establishes our future funding needs up to 2040 and beyond. Our investments represent best public value, keeping our nation resilient.

Scope

In scope

Provision of VCA for our current service internal to the environment agency and benefits mapping work for our internal service by the end of March 31/3/23.

During this project we will support the Incident Managed Service to build a stronger understanding of how activities link to outcomes and highlight areas where money is being spent differently. This work will also support better understanding of how data is being used in the organisation and how this can be improved to support decision making

- Applying a consistent approach used previously in the EA to design a VCA
- Understand the robustness of the data that exists today to support VCA and business planning
- Mapped data set to support decision making within business planning across the business
- Develop understanding of future benefits to IMS to support wider business case development to provide a set of recommendations for future planning
- Provide training and upskilling to IMS on designing VCA and develop departmental understanding

Out of scope

- Jointly owned outputs provided by our external partners including the flood forecasting centre

Assumptions and dependencies

- During each stage the required outcomes, deliverables, team and budget will be defined and agreed, with Phase 1 being a time and materials with a ceiling of [REDACTED]
- The products will be produced based on existing current management information provided by the EA and we assume areas for improvement and gaps in management information to be identified.
- Availability of stakeholders to co-develop the value chain and provide SME input throughout will be a key dependency in completing the VCA




Risk management



- Availability of stakeholders limits ability to effectively deliver VCA. Mitigation would be to work with key stakeholders to schedule meetings early on. Additionally, to agree the key stakeholders who will be responsible for designing the VCA.
- Data gaps will make it difficult to map data points to VCA. Work with the key stakeholders to map the appropriate data. Where there are gaps, to flag this as a recommendation for the IMS team to take forward in future work.
- Acceptance and buy-in from the business on value delivered. Working closely with core team to ensure that appropriate stakeholder engagement is implemented at the appropriate levels of the organisation.

Deliverables

- Incident Management VCA map is completed linking activities to outcomes
- Data mapped to the VCA to enable integration into Qlik dashboard

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Project Stage A			
Incident Management Service VCA with appropriate data mapped	Qualitative maps identifying activities, outputs, intermediate outcomes, outcomes, impacts and the relationships in between Reviewing existing data and mapping data to IMS VCA, identifying gaps and recommendations on how to resolve	Jan 2023	
Project Stage B			
Benefits Mapping	Benefits map to developed to support future 2030 outcomes and enable IMS service to be benefits led. Logframe developed to measure the service improvement we invest in.	March 2023	
Internal Capability Development Outcomes			
Training and capability building of staff	Continuous engagement and involvement of key stakeholders throughout delivery to ensure effective capability of staff.	Throughout	



Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Social Value Outcomes			

Limitations on scope and change control

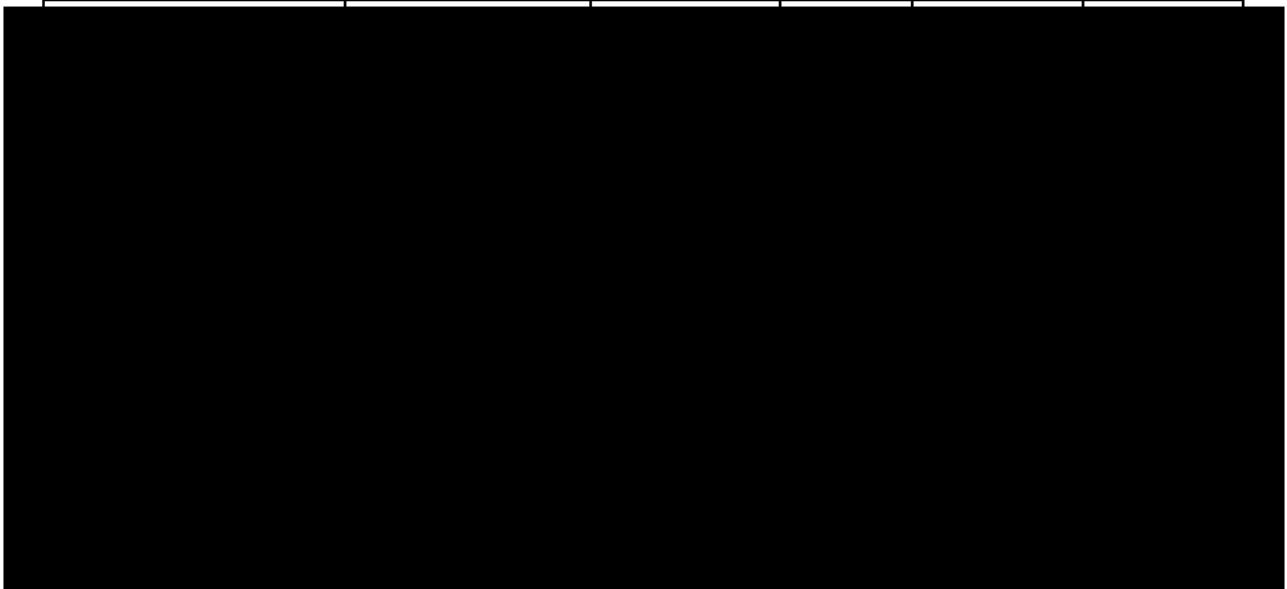
Unless instructions to the Supplier are later amended in writing, the work undertaken will be restricted to that set out above. In providing the services detailed above, the Supplier will be acting in reliance on information provided by the Business Area.

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

Phase A

Name	Role (link to stage/s resource will work on)	Grade	Daily rate	# of days	Cost
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Phase B

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

Name	Role (link to stage/s resource will work on)	Grade	Daily rate	# of days	Cost
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Phase B is dependent on the EA securing additional budget approval and as such cannot be guaranteed at this stage. A change control notice (CCN) will be implemented once the approvals have been sought where more information of Phase B can be added into the contract. At this stage the discounted rates will be implemented according to the duration of the contract.

Total resource	Total days* Engagement Length**	3.4
*Total days worked across all resources **Total working days in engagement		

Business Area's team

Incident Management Service Team:
- [REDACTED] – Lead on IMS Value Chain Map

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 £[REDACTED], inclusive of expenses and excluding VAT.

Stage	Cost	Due (link to milestone dates)
A		DD/MM/YY
Key deliverables: - IMS Value Chain Map - Data Mapped to value chain - Recommendations on benefits mapping	[REDACTED]	30/1/23
B		
Key deliverables - Benefits map - Logframe with appropriate metrics	[REDACTED]	TBC
Expenses		
N/A		

Stage	Cost	Due (link to milestone dates)
Grand total	£165,192	

Cost of the engagement as outlined above is determined by the total time spent by each consultant across the total engagement of the project.

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;
- Weekly flash reports of progress and risks
- Weekly or fortnightly engagement with task and finish group
- Midway Gate review to assess progress against outputs on the w/c 27/2/23

Key Performance Indicators

KPI	KPI Requirement	Description	Reporting Frequency	Who Measures	Method of Measurement	Performance Target
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01	Timely Delivery	Deliverables delivered on time as agreed with key milestones	Monthly	Defra	% of project deliverables produced within agreed deadlines	100%
02	Quality of deliverables	Outputs are fit for purpose and support Programme/project outcomes with Zero spelling mistakes, clear and simple language and a coherent structure and flow	Monthly	Defra	Qualitative feedback and assessment	1 round of feedback
03	Reporting and tools provided on time	Reports are delivered on time, with appropriate sections completed to a good standard . Tools will be compatible with existing EA systems.	Weekly/Monthly	Defra	% of reports delivered on time	100%

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

N/A. The overarching MCF2 framework include relevant NDAs.

6. Exit management

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

Upon exit, the supplier will:

- Provide a handover note setting out the location of all final deliverables
- Undertake a (minimum) 1 hour handover meeting with the Defra team
- Provide a final summary of hours worked and associated invoices

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:
consultancy2@defra.gov.uk
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

