



## Defra Group Management Consultancy Framework: Project Engagement Letter

Completed forms and any queries should be directed to Defra Group Commercial at [DgCConsultancy@defra.gov.uk](mailto:DgCConsultancy@defra.gov.uk)

Engagement details					
Engagement ref #	DPEL_61547_006				
Extension?	N	DPEL Ref.			
Business Area	Rural Payments Agency – Grants Service				
Programme / Project	Farming Recovery Fund				
Senior Responsible Officer	[REDACTED]				
Supplier	Deloitte Consortium				
Title	Farming Recovery Fund				
Short description	The contract is to undertake a review of the RPA administered Farming Recovery Fund, specifically focusing on a) what could be considered for support, b) what type of support (funding and beyond) could be valuable and c) how might the administration of support applications be made more effective?				
Engagement start / end date	23/02/2022	31/03/2022			
Funding source	[REDACTED]				
Expected costs 21/22	£45,023 excluding VAT – total £54,000				
Expected costs 22/23	£0				
Expected costs 23/24	£0				
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, Rural Payments Agency accepts the contents of this Project Engagement Letter as being the services required and agrees for Deloitte Consortium 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
or and on behalf of Deloitte LLP 	For and on behalf of Rural Payments Agency 	Defra Group Commercial 
17 February 2022	18 February 2022	21 February 2022
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

Supplier contact:

Business Area contact:

## 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

In July 2020, Defra published a [Policy Statement on Flood and Coastal Erosion Risk Management](#) which sets out the government's long-term ambition to create a nation more resilient to future flood and coastal erosion risk. This means we will reduce the risk of harm to people, the environment and the economy. We made a commitment to boost our resilience meaning that more properties will be protected and communities will be better prepared to reduce the impacts when flooding does happen.

Actions and investment to mitigate or reduce the risk of serious flooding are needed, both by Government and the individual farmer, especially given the increased frequency of exceptional flooding (and of other extremes, such as drought) over the past few years.

Farming Recovery Fund is the RPA-administered scheme that has been used in the past to provide funding to farm businesses, to contribute to their recovery from uninsurable damage to agricultural land and/or features affected by exceptional flooding.

The purpose of this consultancy is to urgently consider options for Defra flooding response in relation to:

- What could be considered for support?
- What type of support (funding and beyond) could be valuable?
- How might the administration of support applications be made more effective?

The consulting team will work alongside respective Defra and RPA teams. It is expected that a report with options and recommendation will be presented to Andy King, Director.

## 2. Statement of services

### Objectives and outcomes to be achieved

The first outputs (within 5 working days of commencement) will be an analysis of Defra and RPA work undertaken so far; a clearly defined scope statement for the commission; and a delivery

schedule with milestones to deliver a report by 31 March 2022; Indication of the project team, relevant experience and roles/contributions will also be clearly set out in this first phase of work.

## Scope

Scope key areas to evaluate the efficacy of the Defra flood recovery fund (FRF) and potential areas for improvements.

Outlining at a high-level initial hypotheses and options for further investigation in future against the following areas:

1. What could be considered for support?  
*The rationale for intervention, e.g. what could count as 'exceptional flooding', what is available from others (e.g. insurance) and therefore may not need to be covered*
2. What type of support (funding and beyond) could be valuable?  
What water-related schemes does Defra group provide already, to meet Government's priority for flood-resilient agricultural sector?  
And what should Defra / RPA provide vs others?  
*E.g. what preventative interventions (e.g. advice/comms) already is/could be part of the support, what damage categories/items should be covered*
3. How might the administration of support applications be made more effective?  
*E.g. how could tech support administration, how could the process support applicants to apply with better quality input/s, how could RPA, EA and other bodies work more effectively together*

3 hour kick off meeting

1.5 weeks of rapid high level reviewing of existing material and working session design

1 day working session of supplier and RPA

1.5 weeks parallel streams of literature review and translation into structured draft deliverable

4 hours working session of supplier and RPA

1 day refining final deliverables and handover

Total timespan – c3.5 weeks

## Assumptions and dependencies

- Deloitte will engage with members of Defra, RPA and EA as appropriate in the completion of this service.
- Defra, RPA and EA will make available individuals who can support the study.
- Defra RPA and EA will provide existing relevant data and documents, relevant insights from existing subject matter experts and timely feedback on draft materials to be enable the supplier to perform the Services
- All work will be done remotely.

## Risk management



## Deliverables

Qualitative report on potential areas for improvement and options to further investigate (this further investigation may be delivered by RPA).

Indicative content includes:

A summary of options and areas of potential further investigation/s for:

- Working version of current and future objective/s for FRF
- What could be considered for support?
  - o Recipients: Definition/s for segments of potential beneficiaries
  - o Instances: Definition/s for 'exceptional flooding'
  - o Market gaps: Definition/s of support which is less likely to be provided by insurers
  - o Potential further investigations to validate / progress thinking
- What type of support (funding and beyond) could be valuable? And what should Defra / RPA provide vs others?
  - o Summary of types of interventions that could be considered and potential pros/cons
  - o Existing evidence or case studies related to the intervention/s which may inform consideration
  - o Potential linkages to other organisations or policy interventions
  - o Potential further investigations to validate / progress thinking
- How might the administration of support applications be made more effective?
  - o Mapping of potential technology improvements to administration stages at a high-level
  - o Mapping of potential process (to staff and users) support to administration at a high-level
  - o Key areas to consider in relation to inter-agency working
- Potential further investigations to validate / progress thinking with an indication of sequencing across a 3-6 month period

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
<b>Project Stage A</b>			
Qualitative report	Final handover of deliverable	31/03/22	██████████
Potential further investigations	Final handover of deliverable	31/03/22	██████████



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

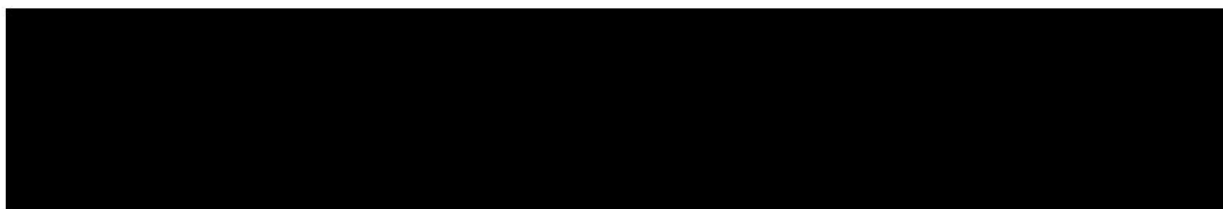
[illegible]

\_\_\_\_\_



\*Total days worked across all resources  
\*\*Total working days in engagement

### 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 £45,050 inclusive of expenses and excluding VAT.

Stage	Cost	Due (link to milestone dates)
<b>A</b>		<b>DD/MM/YY</b>
Qualitative report and potential further investigations	£45,023 exc. VAT	31/03/22
<b>Expenses</b>		
No expenses expected – if any are identified these will be discussed and agreed in advance	£0	
<b>Grand total</b>	£ 45,023 exc. VAT	

### 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.

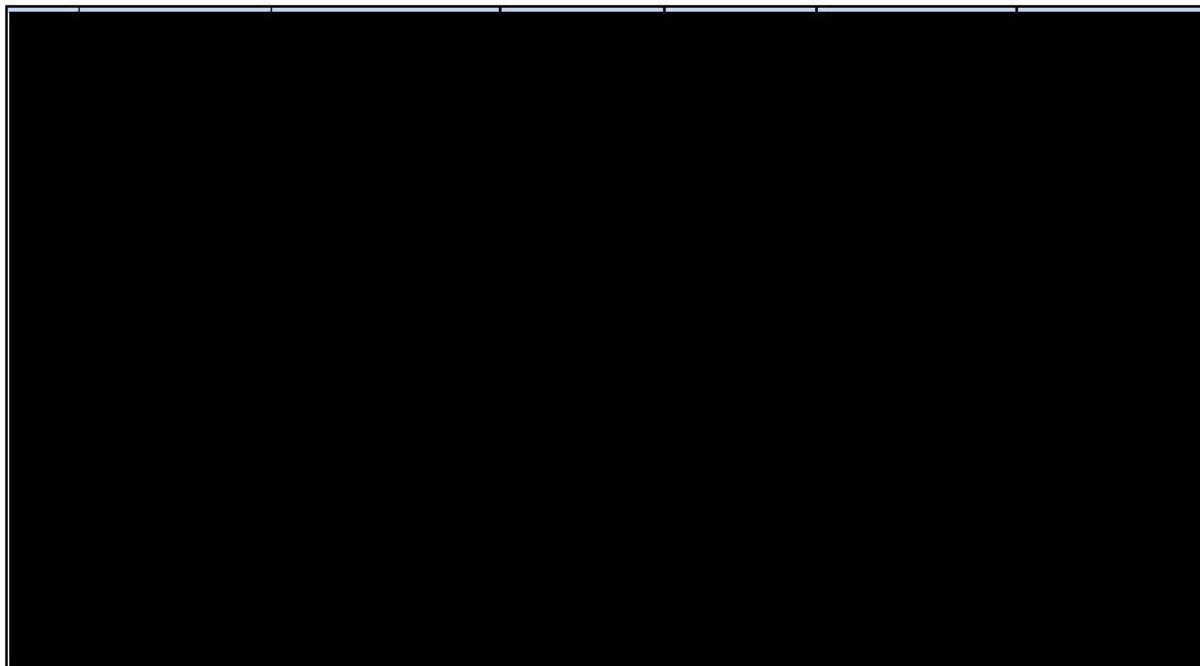
## 5. Governance and reporting



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;

### Key Performance Indicators



### Feedback and satisfaction

Business Area and Supplier to meet weekly to agree monitoring of performance.

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.

## 6. Exit management

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

It is expected that 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.

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"> <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>

