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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

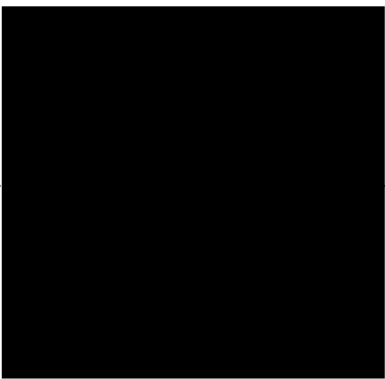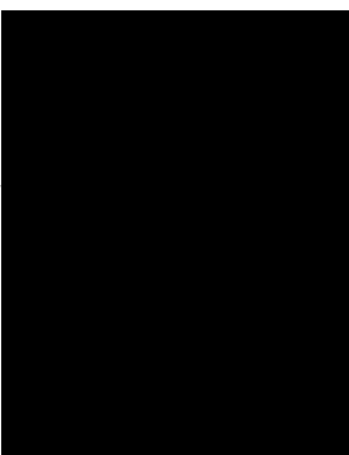| Engagement details			
Engagement ref #	DPEL_61541_041		
Extension?	N	DPEL Ref.	
Business Area	Defra Corporate Services Major Programmes & Platforms		
Programme / Project	Next Wave Transformation		
Senior Responsible Officer	▇▇▇▇▇▇		
Supplier	Methods Business and Digital Technology		
Title	ALB business analysis support		
Short description	Phase One - Business analysis service to baseline and develop RPA capability		
Engagement start / end date	Proposed start date 29/06/2022		Proposed end date 23/09/2022
Funding source (CDEL/RDEL)	RDEL		
Consultancy Spend approval reference	i.e. FSoD reference for ALB or CGB reference for Defra		
Expected costs 21/22			
Expected costs 22/23	£92,349		
Expected costs 23/24			
Dept. PO reference			
Lot #	3		
Version #	V1.0		

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Approval of Project Engagement Letter

By signing and returning this cover note, Defra Corporate Services accepts the contents of this Project Engagement Letter as being the services required and agrees for Methods BDT Ltd 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.

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Signatures		
Supplier	**Business Area**	**Defra Group Commercial**
■■■	■■■	■■■
29-06-2022 | 13:55 BST	29-06-2022 | 14:33 BST	29-06-2022 | 14:46
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

BST

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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

Next Wave is a Defra group-wide transformation initiative covering a set of projects and programmes that will reform and improve the way we work with our Shared Services.

Next Wave Transformation applies to the Environment Agency, Natural England, Rural Payments Agency, Core Defra, Animal and Plant Health Agency, Marine Management Organisation, Veterinary Medicines Directorate, Committee on Climate Change and Joint Nature Conservation Committee.

We are looking to have a new Enterprise Resource Platform (ERP) – currently SOP (Single Operating platform) for most of Defra with Rural Payments Agency using People Portal. We are also in a partnership cluster called 'Synergy' with the Department for Work and Pensions (DWP), Ministry of Justice (MoJ) and Home Office (HO), so that processes are as standardised and appropriate as is possible across the 4 Departments to ultimately maximise value for taxpayers' money.

RPA Workstream:
Rural Payments Agency (RPA) has an inflight Programme to replace their Enterprise Resource Planning (ERP) solution.

The existing solution is provided as a managed service, and some ERP capability will transition through some of the Cabinet Office's enabling services provided by Shared Services Connect Ltd's (SSCL) Single Operating platform (SOP).

The activity will require tight co-ordination across Human Resource and Finance operations and RPA business areas to avoid negative impact of this change on these critical enabling capabilities. The work is time critical as RPA need to be live on the new ERP by 1st February 2023.

RPA urgently require business analysis services to define the transition states of the ERP, and undertake gap analysis of HR, Finance and RPA SME teams, so that effective change can be planned and implemented.

This initial stage of the work will encompass a validation process of the existing RPA documentation, system maps and requirements to assess quality and accuracy, moving into a consensus gathering stage to allow for the setting of agreed parameters which will inform a Gap Analysis. This will inform the development of priority areas on which to focus.

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2. Statement of services

Objectives and outcomes to be achieved

RPA Workstream

The objectives of the RPA workstream are to:
- Engage with RPA Subject Matter Experts, HR and Finance leads to develop a deep understanding of the ERP As-is, Transition (SSCL SOP) and Target States.
- Document and agree the understanding of these states.
- Define and agree the parameters for conducting a gap analysis on RPA, HR (annual leave requirements specifically) and Finance operations and form recommendations for change.
- Establish an engagement approach with the change team for mutual benefit.
- Increase the knowledge of the change team on gaps between As-Is, Transition and Target states
- Increase the knowledge of the Annual Leave Module Development Team on gaps between As Is, Transition and Target States.

The desired outcomes of the RPA workstream are:
- Maintain any existing models of As-Is/ To-Be ERP solution utilising version control Create and maintain an As-Is Model of the ERP SOP transition state   Create and maintain an As-Is Model of the ERP target ERP.
- Create a gap analysis between Transition State with As-Is.
- Create a gap analysis between Target State (End ERP) with Transition State (SOP).
- Review Annual Leave Module process map and existing requirements.
- Gap Analysis will be conducted on priority areas of RPA, HR and Finance with a backlog gap analysis catalogue of areas to take forward. Provided.

Scope

In-Scope
- Business analysis activities in As-Is and To-Be modelling

Out-Scope
- Architectural activities in As-Is and To-Be modelling
- GDS Style full discovery

Assumptions and dependencies

1. RPA has existing documentation on the current and target states of the ERP to enable early start on Gap analysis and this will be made available at the earliest opportunity and/ or access will be granted to consultants within two working days of project starting.
2. RPA will make stakeholders readily available within the scope of the work.
3. Formal communication about the work is managed by RPA.
4. Gap analysis and to be model is dependent on agreeing and sign off of as is model?
5. Existing process map/ documentation will be attributed to a creator/ author so that queries can be directed to the appropriate SME and dealt with in a timely fashion.
6. An identified list of SMEs and contact details attributed to Finance, HR and RPA processes will be furnished to Methods within two working days of project start.
7. It is assumed that the impact of this project will be on the identified areas of Rural Payments Agency, Finance and HR operations and will not have an impact on any other unidentified services.

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Risk management

1. Risk that the comprehensiveness of RPA ERP documentation is unknown and could delay the start of Gap Analysis. To be mitigated by increase focus in the documentation and potential extension if identified

2. Risk that stakeholder groups not available in assignment duration. To be mitigated by RPA nominating proxy SME's or agreeing known gaps in analysis.

3. Time attributed to solidifying As Is and To Be cannot be guaranteed until assessment has been made on current state/ quality/ comprehensiveness of available documentation. Project Delivery Manager to mitigate this risk by regular communication with identified SRO – James Hall.

Deliverables

The table below describes the deliverables to be successfully completed:

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Service			
Service Definition Document	☐ Clearly define deliverables with product descriptions; timeline and governance	05/07/22	Delivery Manager
Service Closure Document	☐ Deliverable summary, recommendations and lessons learned	23/09/22	Delivery Manager
RPA Workstream			
As-Is ERP model	☐ Missing models developed Existing ☐ model iterated with new findings Changes to existing model agreed with ☐ nominated stakeholder Customer satisfied with level of ☐ engagement in developing the As-Is model	Existing model aimed to be baselined within 4 weeks of assignment start	Lead BA
To-Be Model of the ERP SOP transition state	☐ Existing models developed upon ☐ Model iterated with new findings ☐ Changes to model agreed with nominated stakeholder ☐ HR Annual Leave Requirements reviewed	Model baselined within in 4 weeks of assignment start	Lead BA

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| Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
	☐ Customer satisfied with level of engagement in developing the Transition model		
To-Be Model of the ERP Target State	• Existing models developed upon. • Model iterated with new findings • Changes to model agreed with nominated stakeholder • Customer satisfied with level of engagement in developing the Transition model	Model baselined within in 4 weeks of assignment start	Lead BA
Gap Analysis	• Tabular analysis of gaps between states • Gap analysis categorises RPA business operation gaps with Transition or Target States • Gap analysis categorises HR gaps with Transition or Target States • Gap analysis categorises Finance gaps with Transition or Target states • Gaps are categorised by concept (Using POPIT or similar) • Customer satisfied with level of engagement reviewing the gaps with HR, Finance, RPA • Customer satisfied with level of engagement in communicating gaps to the Change Team	Weekly summary of findings once Gap analysis started Draft completed 29/08/22 Final completed 23/09/22	Lead BA
Gap Analysis Prioritisation Plan	• Plan created confirming in scope/ out of scope focus areas of the gap analysis • Plan is used to prioritise gap analysis within the workstream duration	Draft plan created as Gap analysis work starts	Lead BA
Internal Capability Development Outcomes			
Knowledge transfer plans and log	Engagement and sign-off by recipients	23/09/22	Delivery manager

Limitations on scope and change control

Business Area / Supplier to supplement with any additional areas, as deemed appropriate.

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.

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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.
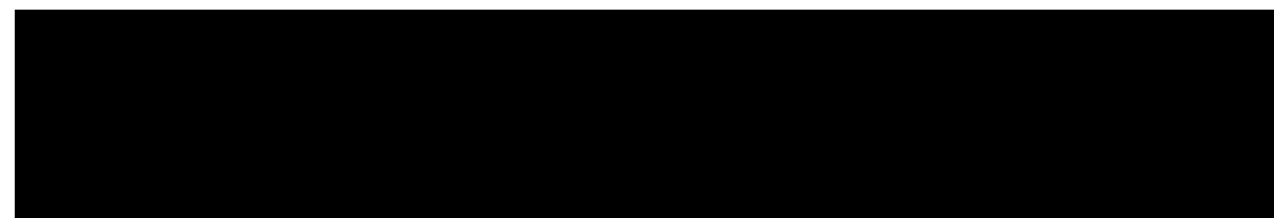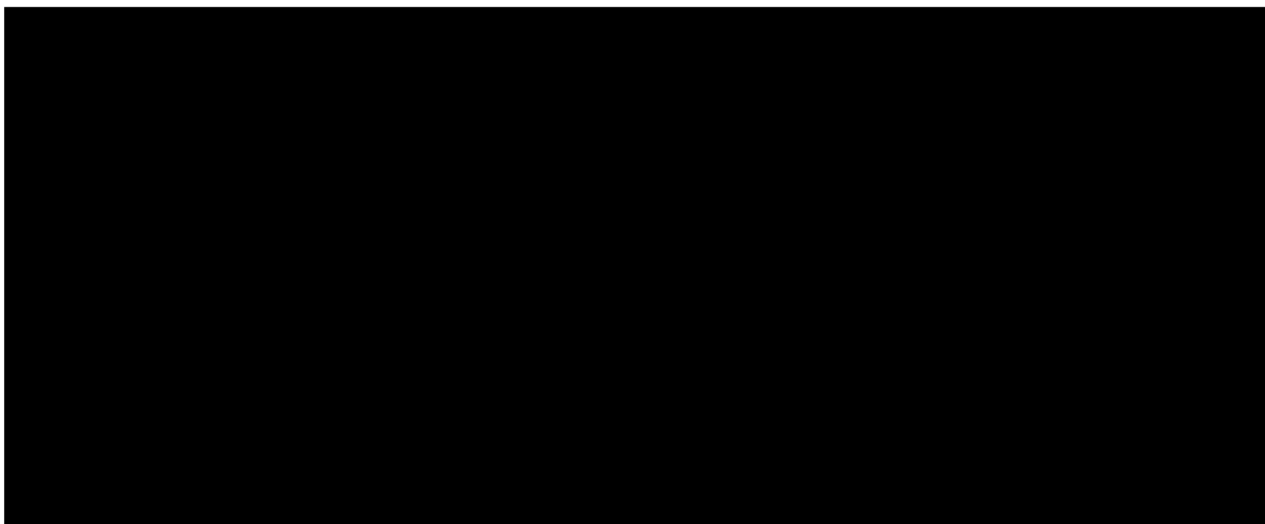
Business Area's team

Outline Business Area staff allocated to support delivery team in completing the engagement including names, roles, responsibilities and any dependencies / scope they will deliver. ▮▮▮▮▮ (oversight)

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 £92,349, inclusive of expenses and excluding VAT.

Stage	Cost	Due (link to milestone dates)
A		**DD/MM/YY**
Mid-point review	£44,000	10/08/22
B		
Final payment	£48,349	23/09/22
Expenses		

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Stage	Cost	Due (link to milestone dates)
In the event of travel outside of London being required, an PO extension will be sought to cover this, not exceeding 10% of fees. Any expenses would confirm to Defra standard policies.		23/09/22
Grand total	£92,349	

Business Area considerations:

☐ Are the costs and fees appropriate (costs linked to deliverables, rates and drive value for money)?

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

Business Area to outline governance and report requirements.

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;
- Other Business Area reporting requirements to be agreed

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

Feedback and satisfaction

Business Area and Supplier to agree regular reporting intervals for the duration of the engagement.

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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:

Completion of knowledge transfer to identified Business Area programme team colleagues and completion of all defined deliverables

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:

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	• DPEL agreed • DPEL signed: Supplier, Dept and CO • Purchase Order number	• Work can start • Supplier can invoice for work

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Request

Contact Defra Group Commercial (DgC) → Business Area completes consultancy request form and submits to DgC → DgC review

- Request progressed → DgC allocate Supplier
- Request not progressed → Liaise with Engagement Lead on next steps

Engage

Supplier and Client engage → Complete PEL and submit to Engagement Lead → CGB review PEL

- Approval granted → Satisfy conditions if applied → Commence work
- Approval not granted → Liaise with Engagement Lead on next steps

Change request

Contact Defra Group Commercial (DgC) → Complete relevant documentation and submit to Engagement Lead → CGB review docs

- Approval granted → Satisfy conditions if applied → Changes accepted
- Approval not granted → Liaise with Engagement Lead on next steps