

## Defra Group Management Consultancy Framework: Project Engagement Letter

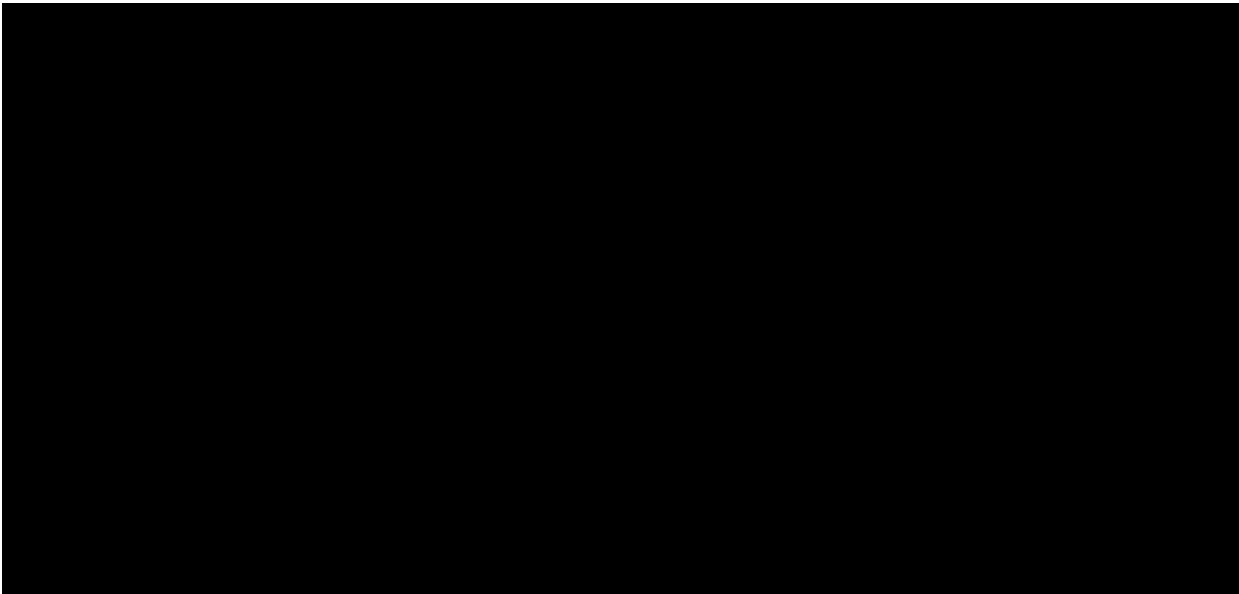
Completed forms and any

Engagement details			
Engagement ref #	DPEL_61539_023		
Extension?	No	DPEL Ref.	DPEL_61539_023
Business Area	Defra Group Corporate Strategy – Group Corporate Services- – Sustainability Centre of Expertise (SCoE)		
Programme / Project	Sustainability Consultancy Support (I)		
Senior Responsible Officer			
Supplier	Deloitte LLP (“Deloitte”, “the Supplier”)		
Title	Sustainability Consultancy Support (I) – Nature Recovery and Enhancement		
Short description	<p>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.</p> <p>Support provided under this DPEL will predominantly focus on: understanding current approaches, targets and processes associated with nature recovery/enhancement; supporting the Sustainability Centre of Expertise in setting metrics and targets for inclusion within the Nature Recovery and Enhancement action plan; and identification of recommended actions.</p>		
Engagement start / end date	1 November 2022		31 January 2023
Funding source	RDEL		
Expected costs 21/22	N/A		
Expected costs 22/23	£96,200 + VAT		
Expected costs 23/24	N/A		
Dept. PO reference	TBC		
Lot #	1		
Version #	v1.0		

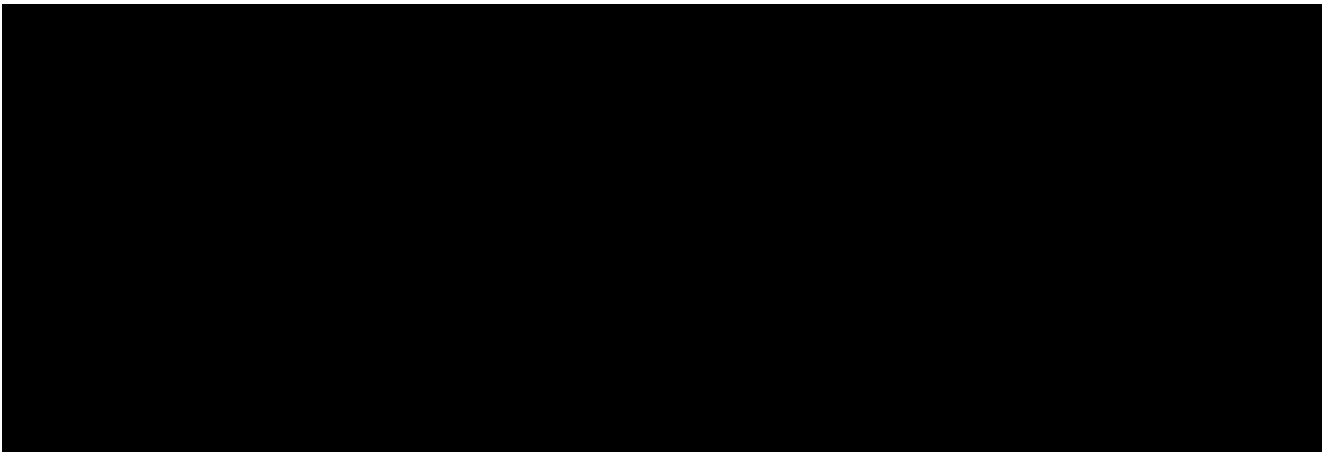


Approval of Project Engagement Letter

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 Nature Recovery and Enhancement Action Plan.

The Nature Recovery and Enhancement 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 Nature Recovery Plan by 2025.

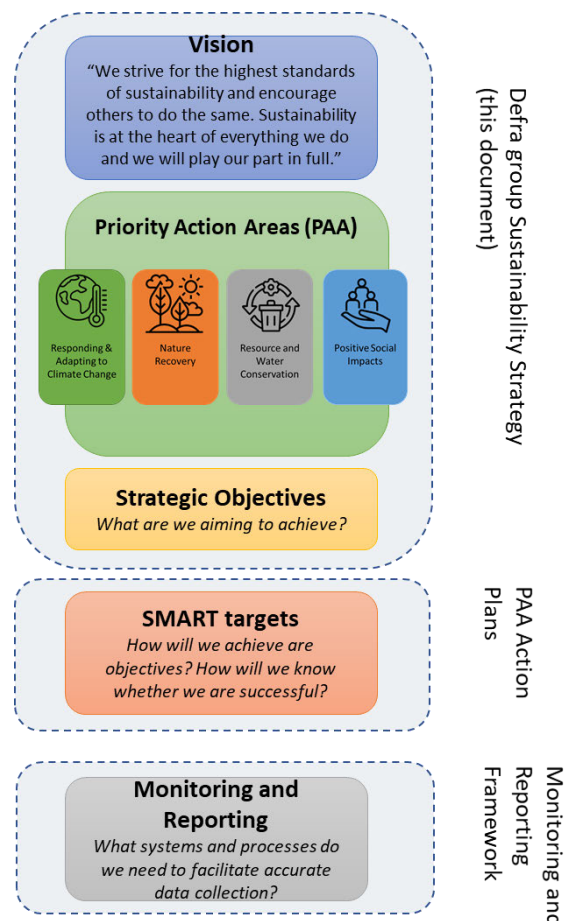


Figure 0-1 Defra Group Sustainability Strategy structure and development stages.

## 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 Nature Recovery and Enhancement PAA, as set out in Defra Group's forthcoming Sustainability Strategy. It is envisaged that the action plan will be iterative, and the objective of this first phase of work is to identify, at a high-level, 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 Nature Recovery & Enhancement.

The intended outcome of the Engagement will be:

1. To provide the Sustainability Centre of Excellence with a baseline understanding of current approaches, targets and processes associated with the Nature Recovery and Enhancement PAA across Defra Group, as well as identifying relevant best practice across HM Government;
2. Support the Sustainability Centre of Expertise to identify appropriate SMART targets and key performance indicators for inclusion within the Nature Recovery and Enhancement Action Plan;
3. Identify recommended 'no/low regret' actions for implementation by Defra Group in relation to Nature Recovery and Enhancement, drawing on best practice from across Defra Group and HM Government identified during the baseline understanding exercise;
4. Provide a 'roadmap' of enabling actions which are deemed necessary to develop more detailed, longer term action plans for the Nature Recovery and Enhancement PAA, and the associated monitoring and reporting framework; and
5. Facilitate the preliminary exploration of methods Defra Group could adopt in order to effect behavioural change in order to meet the Vision set out in Defra Group's Sustainability Strategy.

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 Length 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 Nature Recovery & Enhancement across Defra Group, and situate this within best practice from across central government.

**Desktop review of existing asset registers** – the Supplier will request from Defra Group any existing asset registers, including natural capital asset registers. 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 Nature Recovery & Enhancement. Gaps in data availability will be highlighted.

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

**Option development** – on the basis of an analytical review of the information gathered during the 'Understand' phase, the Supplier will develop a long-list of options for strategic objectives, SMART targets and associated key performance metrics which could be adopted by Defra Group under the Nature Recovery & Enhancement PAA. The Supplier will frame the options as a series of critical choices, using Deloitte's 'Choice Cascade' methodology, for consideration by key Defra Group stakeholders during the ambition-setting workshop (see below).

**Ambition-setting Workshop** - the Supplier will deliver a half-day workshop with key Defra Group stakeholders. The purpose of the workshop will be to work through the critical choices, in order to refine and prioritise the SMART targets and associated key performance metrics for the Nature Recovery & Enhancement PAA. The stakeholders in attendance are to be mutually agreed between Defra Group and the Supplier, however it is noted that the successful completion of the workstream requires the attendance of stakeholders who are critical to the agreement of the SMART targets and key performance metrics. 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.

**Option shortlisting and validation** – following the workshop, the Supplier will provide refined SMART targets and key performance metrics for the Nature Recovery & Enhancement PAA, and support Defra Group in the validation of these across the Group.

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

**Action planning, recommendations and roadmap design** – the Supplier will develop a roadmap setting out:

- recommended actions for achieving the SMART targets over the short, medium and long term, including 'no/low regret' actions;
- recommended enabling activities that would enhance the institutional capability of Defra Group and its ALBs to deliver against the SMART targets;
- recommended processes and systems required to monitor and report on progress in the Nature Recovery & Enhancement PAA;
- recommended actions to enhance the measurement of natural capital across Defra Group assets, to the extent that this is deemed appropriate.

For each of the above items contained within the roadmap, the Supplier will provide:

- A description of the recommended action
- Associated timelines
- Relative prioritisation

- Estimate of relative cost or resource on a scale (e.g. 1-5 or low, medium, high)
- Key dependencies

**Behaviour change workshop** – the Supplier will deliver a half-day workshop with Defra Group stakeholders on identifying: the desired end-state for behaviour change in relation to the Group Sustainability Strategy; the moments that matter for embedding sustainability within the organisation’s culture and decision-making; and the new behaviours that are required to promote sustainability across the organisation. 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.

**Report finalisation and handover** – the Supplier will deliver a Final Report, please refer to the Deliverables section of this Engagement Letter for further information.

### Assumptions and dependencies

- The Supplier will be responsible for managing and overseeing input from their wider delivery team including the approved Subcontractors, Cranfield University ;
- 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 Nature Recovery and Enhancement;
- 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 Nature Recovery & Enhancement, 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).



- **Option shortlisting and validation** – a short written summary (either Word or PowerPoint) from the option development and ambition-setting workshop, as described in the above scope.
- **The Behaviour Change Workshop** - summary output (either Word or PowerPoint) from the Risk Assessment Workshop as described in the above scope, to provide the Sustainability Centre of Expertise with the preliminary exploration of methods Defra Group could adopt in order to effect behavioural change in order to meet the Vision set out in Defra Group's Sustainability Strategy (outcome 5).
- **A Final Report** – a written output (either Word or PowerPoint) of the activities described in the above Scope and summarising the above deliverables, as well as providing the Sustainability Centre of Expertise with. The output will include the following:
  - An executive summary of the findings and recommendations;
  - A summary of the methodology/approach followed by the Supplier in order to deliver the work;
  - Appropriate SMART targets and key performance indicators for inclusion within the Nature Recovery and Enhancement Action Plan (outcome 2);
  - Recommended 'no/low regret' actions for implementation by Defra Group in relation to Nature Recovery and Enhancement, drawing on best practice from across Defra Group and HM Government identified during the baseline understanding exercise (outcome 3);
  - A 'roadmap' of enabling actions which are deemed necessary to develop more detailed, longer term action plans for the Nature Recovery and Enhancement PAA, and the associated monitoring and reporting framework (outcome 4);
  - A summary of the outputs of the Behaviour Change Workshop, detailing any key takeaway points, observations and recommended next steps (outcome 5).

The Supplier agrees to revise the Final Report 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 Final Report.

Deliverable	Success Criteria	Milestone / Date	
<b>Project Stage A</b>			
Desktop review of existing asset registers	Delivery of the desktop review of existing asset registers	Week 4	
Option shortlisting and validation	Delivery of option shortlisting and validation	Week 7	
Behaviour change workshop	Delivery of behaviour change workshop	Week 9	
Final Report	Delivery of Final Report	Week 12	
<b>Internal Capability Development Outcomes</b>			
N/A			

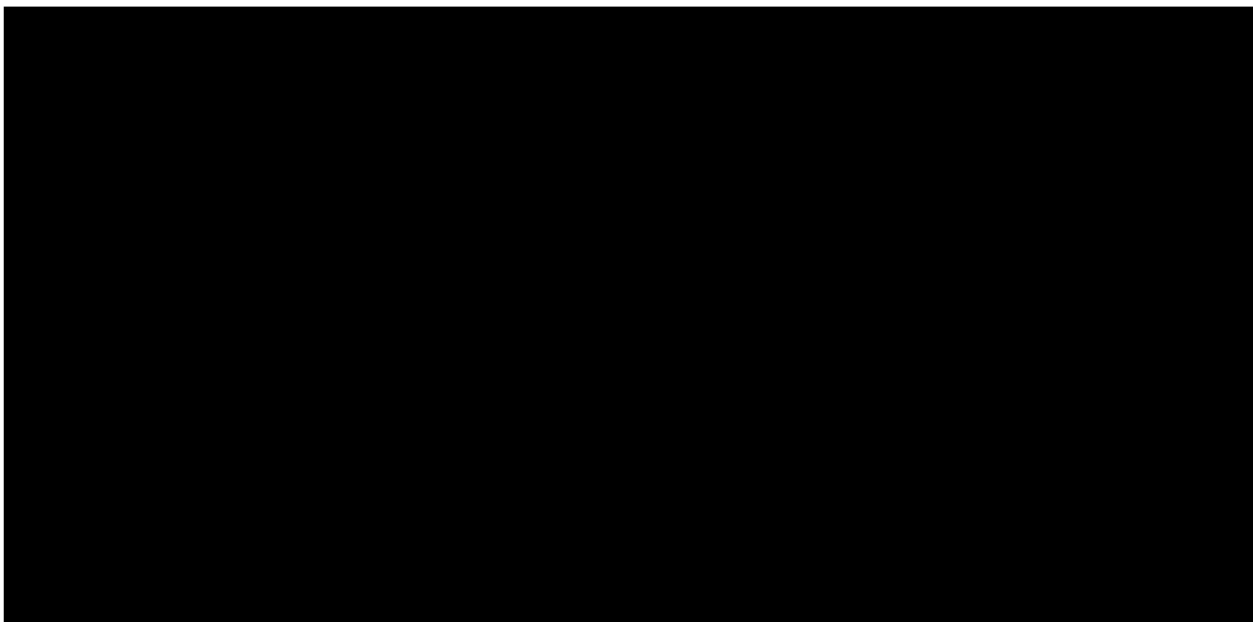
Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
<b>Social Value Outcomes</b>			
N/A			

### 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.

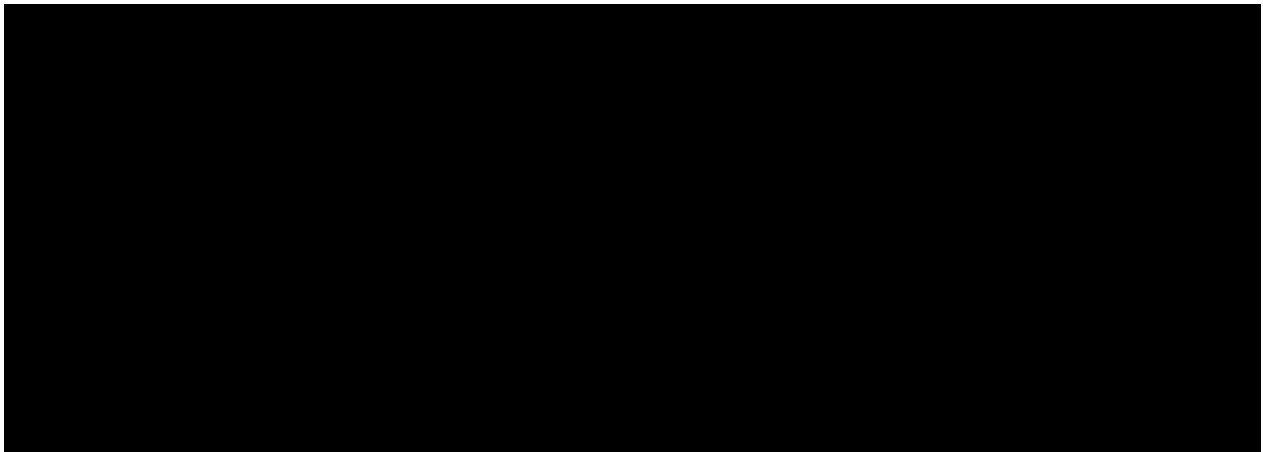
### 3. Delivery team



### 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.

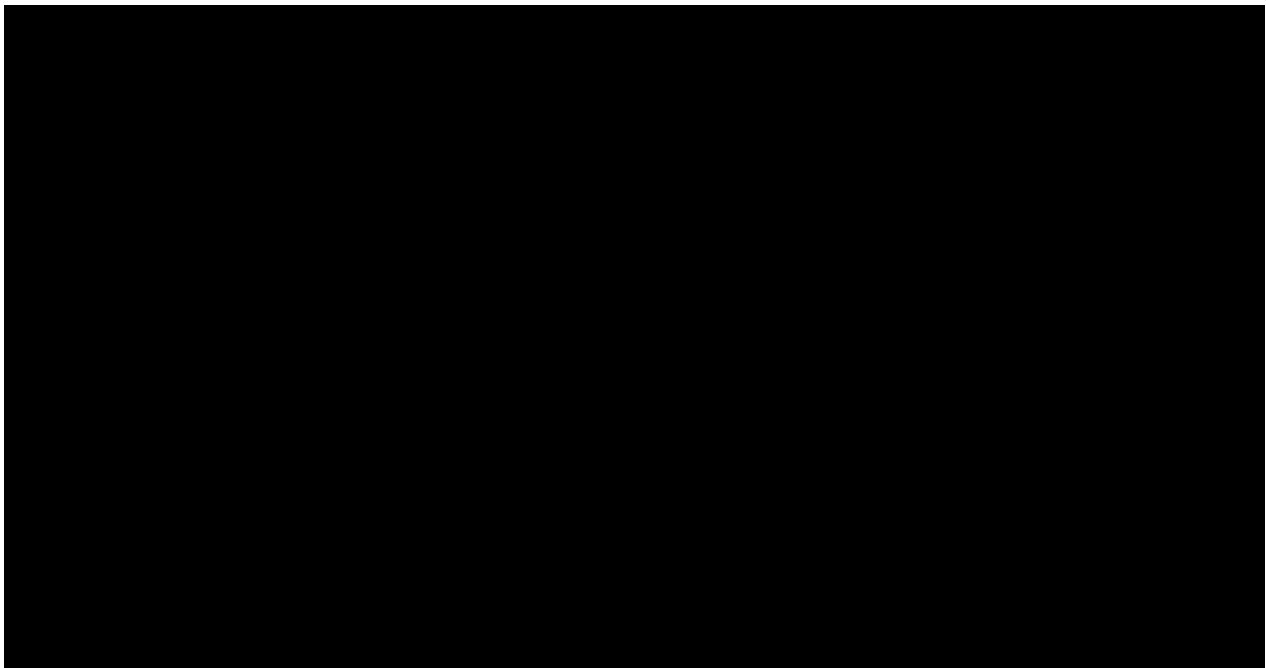




#### 4. Fees

Defra Group will reimburse the Supplier for approved work done according to the table below. The total fees for the scope of Services detailed in this Engagement Letter will be £96,200 excluding VAT.

Costs summarised for engagement stages.



<b>Expenses</b>		
N/A		
<b>Grand total</b>	£96,200 + 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 (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. Request Form completed by Business Area and submitted to DgC at:  
[REDACTED]
3. [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: Sustainability Consultancy Support (I) Nature Recovery and Enhancement – 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					★								
Option development													
Ambition-setting workshop													
Option shortlisting and validation								★					
Action planning, recommendations and roadmap design											◆		
Behaviour change workshop										★			
Report finalisation, 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.