



Defra Group Management Consultancy Call off Contract: Defra Project Engagement Letter (DPEL)

Project Delivery Partner (Lot 3)

Completed forms and any queries should be directed to Defra Group Commercial (DgC) at

[REDACTED] Please do not complete this form until you have liaised with DgC, and they have allocated you a lot to access consultancy services including a DPEL reference number.

| Engagement details | | |
|-----------------------------|--|---------------------------------|
| DPEL Reference Number | 61541_138 | |
| Local Client Reference | N/A | |
| Extension? | N | |
| Business Area | Defra Portfolio Directorate | |
| Programme / Project | Enabling Programmes | |
| Senior Responsible Officer | [REDACTED] | |
| Supplier | Methods Business & Digital Technology | |
| Title | Enabling Programmes - Business Case | |
| Short description | Methods to support Geospatial Enabling Programmes with Business Case development and Benefit maturation. | |
| Engagement start / end date | Proposed start date 14/01/2025 | Proposed end date 28/03/2025 |
| If an extension | | |
| Expected costs 23/24 | £ 0 | |
| Expected costs 24/25 | £67,570 exc VAT | |
| Expected costs 25/26 | £ 0 | |
| Base location | Remote | |
| Version # | V1 | |
| Version Date | 10/01/2025 | |



By signing and returning this cover note, Defra accepts the contents of this Project Engagement Letter as being the services required and agrees for Methods Business and Digital Technology 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.

| Signatures | | |
|------------|---------------|------------------------|
| Supplier | Business Area | Defra Group Commercial |

Signature and timestamp to be added through electronic signature.

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.

The Engagement will be a fully contracted out service therefore the off-payroll legislation will not apply. A true service will have the following characteristics:

- Delivery is fully outsourced to the supplier, who will have full responsibility for delivering the outcome and the risk of non-delivery sits with the supplier.
- The team is not embedded within your organisation but is engaged, directed, and controlled entirely by the supplier.

It is your responsibility to determine whether your Engagement represents a supply of an outsourced managed service or a supply of resource. The reality of working arrangements should be considered and not just contractual terms.



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1. Background

Enabling Programmes

Enabling Programmes bring to life the twin challenge of transformation initiatives, that are designed to help resolve longer term strategic challenges **and** deliver, where possible, some tangible outcomes quickly. They help to change our organisation for the future **and** find opportunities to take smaller, beneficial steps on the way. They offer an opportunity for Defra Group to work collectively to identify opportunities and collaboratively deliver improvements to realise shared benefits across the Group.

As part of the SR25 phase 2 process the Enabling Programmes team are now seeking consultancy services to ensure planning and delivery from a programme perspective is better understood, built into planning and reflective of governance requirements through an effective business case through validated data and benefit assumptions.

Due to the significant complexity of the programme and increasing need to respond to SR25 phase 2, we require specialist Business Case and Benefits capability to support services to underpin our internal teams.

Specifically, we require specialism in the context of:

- Business Case development, maturing and encompassing the Management and Finance case in support of the wider SR25 strategic business case (out of scope)
- Benefits review of work to date and re-assessment of financial assumptions

These specialist support services are required across the Enabling Programme Geospatial (Land) -Land Data model only.



2. Statement of services

Objectives and outcomes to be achieved

The Business Case and Benefit services provided through this agreement will seek to deliver the following objectives and outcomes:

Business Case service:

Objective: To develop and strengthen the Management and Financial cases within the 5 case business case model by defining clear governance, delivery structures, and funding requirements to support informed decision-making.

Outcome: A comprehensive Management and Financial case that demonstrates robust governance and delivery planning alongside a well-evidenced financial appraisal, securing stakeholder confidence and approval for progressing the business case.

Benefits Service:

Objective: To conduct a thorough review of benefits work to date and re-assess financial assumptions to ensure alignment with Defra's strategic priorities, providing a clear and evidence-based foundation for benefit maturation.

Outcome: A refined set of benefits and financial assumptions, validated through stakeholder engagement and aligned with organisational priorities, that strengthens the Strategic Outline Business Case and supports decision-making for the next phase of the Geospatial Programme.

Scope

The scope of services required against the project is set out as follows:

In Scope:

- Business Case planning and development focused on Management and finance cases, providing consultancy advice on Business Case as a whole. Whilst not accountable for the Strategic and Economic case, input would be expected to support those holding the pen for these cases.
- Review of benefit assumptions and previous work to date, encompassing original spending review predictions, associated forecast data and analysis. Feed benefit findings into Business Case.

Out of Scope:

- Commercial Case
- Programme or Project Management
- Comms and Change Management are currently deemed out of scope for this engagement but may be later brought in through a Change Control Notice at a later date if required.
- PSO Services

Assumptions and dependencies

- Accountability and management of delivery projects remains with Defra.



- Required capacity and capability can be committed by stakeholders and delivery partners to engage with the service as required.
- To support delivery of effective knowledge transfer, transition and then exit of this support, Defra will have the required resources in place.
- Timelines to submit the Business Case are expected to be the end of February.
- Benefit work may be required to be front loaded to allow/support the write up timelines of the Business Case.

Risk management

- The longer-term sustainability of Business Case development and Benefit knowledge is a recognised risk of seeking external delivery services. Knowledge and capability transfer across the Business Case and Benefit service scope can only be planned and delivered effectively if Defra internal resources are identified proactively and engage in a meaningful and timely manner. The work package intends to ensure delivery of priority projects during a critical time of delivery. Defra resources will be identified to enable effective knowledge transfer and handover.
- Stakeholders may not be available or able to dedicate the required time to supporting the Benefit maturation work. Stakeholders need to be advised of time commitment required.

3. Deliverables

Project Delivery

| Deliverable | Date | Success Criteria | Linked outcome |
|-----------------------|------|--|---|
| SDD | | <p>As an extension to the DPEL, provides a detailed definition of the service to be provided including:</p> <ul style="list-style-type: none"> • Agreed Team structures/Roles • Governance • Propose Delivery methodology • HL Plans / Timeline • Key Milestones <p>** Note, originally agreed, this document may change during delivery, as teams adapt, governance is tailored</p> | N/A |
| Business Case Service | | <ul style="list-style-type: none"> – The Management and Financial business cases will be robust and aligned to the strategic case. – The case owner will conduct comprehensive stakeholder engagement to ensure operational and financial risks are identified and mitigated, ensure a clear articulation of governance and delivery arrangements, and detailed, | A comprehensive Management and Financial case that demonstrates robust governance and delivery planning alongside a well-evidenced financial appraisal, securing stakeholder confidence and approval for progressing the business case. |

| | | | |
|----------------------------|--|---|--|
| | | <p>evidence-based financial modelling that demonstrates value for money.</p> <ul style="list-style-type: none"> – Together with the other cases, this will provide a compelling justification for investment decisions. | |
| Benefits Maturation | | <p>A deep dive into the post-discovery benefits will provide:</p> <ul style="list-style-type: none"> - A refined and prioritised set of benefits and financial assumptions that are robust, evidence based and validated through comprehensive stakeholder engagement. - Benefits will clearly align with Defra priorities and strategic outcomes, offering a compelling case for investment. - The outputs should enhance the Business Case by providing clarity and confidence in the programme's value proposition, ensuring decision makers are equipped with the insights needed to progress the Geo EP in to its next phase effectively. | <p>A refined set of benefits and financial assumptions, validated through stakeholder engagement and aligned with organisational priorities, that strengthens the Strategic Outline Business Case and supports decision-making for the next phase of the Geospatial Programme.</p> |

Internal Capability Development Outcomes

| Deliverable | Date | Support on content | Linked outcome |
|--------------------|------|--|----------------|
| Knowledge Transfer | | Working closely with the Programme Lead / Business Case owner, Programme PSO and Finance Business Partner to ensure the Management and Financial case development is played back into the Programme team to ensure a well rounded Business Case is produced. | |

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 consultation with DgC and subsequent relevant approvals.



4. Delivery management

Supplier Delivery Team

The outcomes-based nature of consultancy services provided through Lot 3 (Ref 28595) dictates that the Supplier retains responsibility and authority to provide the delivery team required to meet the contracted outcomes. The Business Area team should manage any performance concerns directly with the Supplier Team in the first instance with escalation, where necessary, through Defra Group Commercial.

The actual resources used in the delivery may be greater or less than that on which the price is based as the work is undertaken at the Supplier's risk. Should factors materialise that impact successful delivery, through factors outside the Supplier's control that warrant an alteration to time or cost, a change control will be made to this document as well as to the Service Definition Document (SDD).

The SDD is the first standard deliverable used to manage the project and provides the delivery team structure alongside more detail on governance, plan and success criteria.

Business Area's Team

No members of the current team will be directly allocated to support delivery. Candidates for knowledge transfer will be identified on an ongoing basis as appropriate.

5. 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 **£67,570** inclusive of expenses but excluding VAT.

This total represents the agreed fixed price of the Supplier for the successful delivery of the contracted outcomes. The fees are based on the expected delivery team using the set framework rates. DgC review the resources and rates as part of commercial due diligence and sign-off.

| Stage | Due (link to milestone dates) | Cost |
|---|-------------------------------|----------------|
| Checkpoint 1 SDD and Business Case submission | | |
| Business Case refinement and Benefit Maturation | | |
| Expenses | | |
| Note: Expenses to the base location as determined for each individual assignment should be included in the rates. Expenses up to 10% of the total DPEL value to other locations will be paid in line with the Client Departments Travel and Subsistence policy and must be approved in advance. | | |
| Grand total | | £67,570 |



Payment

The Supplier should invoice at project stage milestones set out in section 4. Defra Group will reimburse fees on confirmation of approval of work delivered, by the Business Area.

6. Governance and reporting

Business Area to outline governance and report requirements relevant to the Engagement through Key Performance Indicators below:

Key Performance Indicators

Business Area and Supplier to agree any specific key performance indicators related to this specific project engagement.

| KPI | Description | Reporting Frequency | Who Measures | Method of Measurement | Performance Target |
|-----|--|---------------------|---------------|-----------------------|------------------------------|
| #1 | All project artefacts are up to date for in scope projects, specifically including RAID logs, project plans and board reporting. | Monthly | Delivery team | Routine reporting | 100% up to date and accurate |

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 must be completed as part of the Engagement sign-off. DgC will contact the Business Area to arrange this and share the feedback with the supplier on a bi-monthly basis.

Non-disclosure agreements

The overarching MCF2 framework includes NDAs.

7. Exit management

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

Handover of all operational project and programme documentation and data held in Project Portal.
Plus, effective knowledge transfer to Defra staff including project handover briefs – written and oral.

Notice period

The nature of these engagements requires 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.



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Supplier Engagement Process

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 £120k or DgC Corporate Services Delivery Board if under £120k.
2. If over £120k the Spend Control Form must be completed by Business Area and submitted to DgC at:
[REDACTED]
3. 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.
4. A Project Engagement Letter is completed by the Business Area with input from the Supplier (with supporting proposals as appropriate) and support from DgC and then finally agreed between the two parties, including evidence of all required approvals either being in place or being progressed. Approval states are:

| Approval state | Definition | Permissions |
|----------------|---|--|
| Full approval | <ul style="list-style-type: none">▪ DPEL agreed▪ DPEL signed: Supplier, Dept and DgC▪ Purchase Order number | <ul style="list-style-type: none">▪ Work can start▪ Supplier can invoice for work |