



Department
for Environment
Food & Rural Affairs

Defra Group Management Consultancy Framework: Project Engagement Letter

Completed forms and any queries should be directed to Defra Group Commercial at consultancy2@defra.gov.uk

Engagement details			
Engagement ref #	DPEL_61540_002		
Extension?	N	DPEL Ref.	DPEL_61540_002
Business Area	Transformation		
Programme / Project	[REDACTED]		
Senior Responsible Officer	[REDACTED]		
Supplier	McKinsey & Company, Inc. United Kingdom		
Title	[REDACTED]		
Short description	[REDACTED]		
Engagement start / end date	Proposed start date 14/02/2022	Proposed end date 01/04/2022	
Funding source	XXXX		
Expected costs 21/22	£403,385		
Expected costs 22/23	£0		
Expected costs 23/24	£n/a		
Dept. PO reference	Dept. PO reference # (to allow for Defra Group recharge)		
Lot #	Lot 1		
Version #	0.1		



Approval of Project Engagement Letter

By signing and returning this cover note, Transformation accepts the contents of this Project Engagement Letter as being the services required and agrees for McKinsey 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.

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

Supplier contact:

Business Area contact:

[REDACTED]

[REDACTED]

2. Statement of services

Objectives and outcomes to be achieved

[REDACTED]

Scope

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



Deliverables

<ul style="list-style-type: none"> • [REDACTED] • [REDACTED]
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Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Project Stage A			
[REDACTED]	[REDACTED]	[REDACTED]	
[REDACTED]	[REDACTED]	[REDACTED]	
[REDACTED]			
[REDACTED]			
Internal Capability Development Outcomes			
[REDACTED]	[REDACTED]	[REDACTED]	
[REDACTED]	[REDACTED]	[REDACTED]	
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.

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Total resource	180
<u>Total days*</u>	
Engagement Length**	30
*Total days worked across all resources	
**Total working days in engagement	

[REDACTED]

Business Area's team

[REDACTED]
[REDACTED]



[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

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 £403,385, inclusive of expenses and excluding VAT.

Stage	Cost	Due (link to milestone dates)
A		DD/MM/YY
i. [REDACTED]	£403,385	[REDACTED]
[REDACTED]		
	£403,385	

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. The base office location shall be London. Only expenses for travel at the Business Area's request from this base can be charged. Permissible expenses to be charged shall be in accordance with Defra travel and expense policy.

Payment

The Supplier should invoice fees in arrears in accordance with the defined milestones. Defra Group will reimburse fees monthly on confirmation of approval of work delivered by the Business Area.

The Supplier in keeping with its approach to ensure value for money for its clients, does not charge its clients per hour/day of its time. Instead, to give certainty, the Supplier charges a fee for a complete team for each specific project, at a specific quality level, by a specific date. This fee includes all time, expenses, overtime, weekend work and use of dedicated resources and consultation with other McKinsey experts who are not part of the full-time team. Within that agreed rate, where necessary the Supplier adds its resourcing at no additional cost to the client to ensure the Supplier delivers

5. Governance and reporting

As part of the Call-Off Contract, the Supplier and Business Area agree to provide reporting on the following:

- Weekly status report, detailing progress, planned activity for following week, and key risks and issues

Feedback and satisfaction

The Business Area and Supplier will have a minimum weekly meeting where the Supplier will report on progress. This shall be arranged by the Supplier.

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 confidentiality requirements. There are no additional confidentiality requirements.

6. Exit management

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

Upon exiting the project engagement, the Supplier will provide all final deliverables alongside supporting handover documents. Knowledge transfer sessions will also be arranged.

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"> ▪ 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

