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V0.2

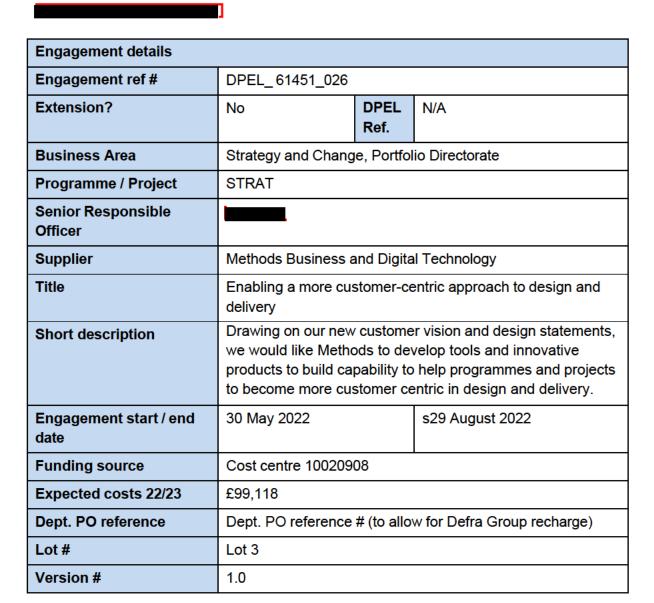## Defra Group Management Consultancy Framework: Project Engagement Letter

Completed forms and any queries should be directed to Defra Group Commercial at
███████████████████]

Engagement details			
Engagement ref #	DPEL_ 61451_026		
Extension?	No	**DPEL Ref.**	N/A
Business Area	Strategy and Change, Portfolio Directorate		
Programme / Project	STRAT		
Senior Responsible Officer	████████		
Supplier	Methods Business and Digital Technology		
Title	Enabling a more customer-centric approach to design and delivery		
Short description	Drawing on our new customer vision and design statements, we would like Methods to develop tools and innovative products to build capability to help programmes and projects to become more customer centric in design and delivery.		
Engagement start / end date	30 May 2022	s29 August 2022	
Funding source	Cost centre 10020908		
Expected costs 22/23	£99,118		
Dept. PO reference	Dept. PO reference # (to allow for Defra Group recharge)		
Lot #	Lot 3		
Version #	1.0		

Approval of Project Engagement Letter

By signing and returning this cover note, the Portfolio Directorate, Strategy and Change Group accepts the contents of this Project Engagement Letter as being the services required and agrees for Methods 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.

OFFICIAL SENSITIVE - COMMERCIAL

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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: ▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮
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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

Briefly justify why support is required:

Defra has one of the biggest and most demanding change agendas in Government and is committed to delivering against ambitious outcomes on net zero, climate adaptation, environmental goals and restoring nature, while making our vibrant fishing, food and farming sectors more sustainable.

Our work will bring big changes to these sectors and the environment over the next 5-10 years. Through our transformation programme, we will be developing a future Defra group that is:

- ambitious
- professional
- outward looking
- inclusive.

The Portfolio Directorate is working across the department to improve the delivery of change by developing capability, embedding standards, and tracking progress against the department's priority outcomes. We want to take a customer and outcome focused view of change across the group to ensure that our projects - and the portfolio in its entirety - are set up to succeed.

Through the Improving Customer Delivery Team, we are also leading the customer agenda and culture across Defra group to nurture a customer focused organisation which strives for customer excellence and simplicity.

At the broadest level, our customers are the users of our services who we interact with to achieve and deliver Defra outcomes. We need to take account of the needs of our diverse stakeholders, customers, and service users in making decisions about policies, services and other activities that impact them. Customers are also an important lever. By being user-centred in our design, we can better influence their behaviours and culture to deliver better outcomes.

At the end of 2021/22, we worked with Deloitte under lot 1 (strategic consultancy) of the delivery framework and key delivery bodies to establish:

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- a customer vision and design principles, contributing to the customer layer of Defra's operating models for 2025 and 2035, underpinning our work to improve customer experience as part of the transformation programme.

- an understanding of the maturity of customer delivery in each of the delivery bodies and in Defra as a whole.

The future farming and countryside programme (FFCP) is co-creating with farmers, environmental groups, and landowners in new and innovative ways. By making time to listen and engage, the programme will save time and resource and ensure we deliver better services and better-informed change. We can learn from this best practice.

In 2022/23, we want to continue to build our professional capability in project and programme delivery. To help us become more outward looking we want to bring the customer / user and their needs alive for our change professionals and to be able to better measure impact of changes.

By designing with the customer / user in mind, we will be better able to make transformational changes in the right way and deliver on priority outcomes in Defra group's outcome framework.

2. Statement of services

Objectives and outcomes to be achieved

State and describe the aims of the engagement:

Through our customer vision, we commit to designing services around our customers' needs and feedback. We want to make it easy for them to do the right thing to achieve our environmental and operational ambitions.

Drawing on the new customer vision and design statements, we would like Methods to develop tools and innovative products to build capability and help programmes and projects to:

- identify customers and draw on relevant insights to understand which groups are impacted by planned changes and how. Determine whether the impact is large or small, positive or negative - and the level of engagement that's needed

- establish appropriate channels for dialogue with customers that are impacted to ensure their voice is heard throughout the project

- build a clear understanding of customer needs and design the project accordingly

- ensure accessibility requirements are considered, with appropriate assessments completed to meet our Public Sector Equality Duty *

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- make sure we can assess benefits and disbenefits for customers / users by putting the right measures in place to track these
- identify key stakeholders / delivery bodies that are key for delivery and engagement.

* signposting to tools being developed in parallel to this project.

We want this work to be about more than developing template documents for a toolbox. We would like to:

- Raise awareness of good practice in user centred design by developing case studies from the future farming and countryside programme or other programmes.
  - These case studies should show how and why these programmes are co-designing with users such as farmers or other users, and how this is making a difference to the delivery of their ambitions.
  - They should emphasise that services designed around users and their needs are more likely to be used; help more people get the right outcome for them, so achieve their policy intent; and cost less to operate by reducing time and money spent on resolving problems.
  - They should also bring out that some of Defra's key outcomes are dependent on us being able to change behaviours of the public, so go beyond the traditional Defra customer.
  - We would welcome use of a variety of media, for example blogs, vlogs, videos, animations, reels, pictures, captions.
- Develop basic personas / lived experiences for key stakeholders, customers, and users, including frontline staff providing or supporting the service. This should provide key insights.

  These are to bring the different kinds of users alive - to help understand their needs and motivations - and are for use with the online assessment tool below.
- Develop a simple online tool, for example using Microsoft Forms, so programmes or projects can quickly determine customers / users impacted by planned changes and whether the change will be large or small, positive or negative.

  This is to help identify the level of engagement that's needed.
- Provide examples of how to establish baselines and measure whether customer / user outcomes – as well as policy or environmental outcomes - are achieved.
- Have simple templates for capturing customer metrics – for example failure demand, feedback.

The products will be used to build professional capability and will allow us to take a more user-centric approach to design and delivery.

We are happy for alternative suggestions and innovative approaches where these achieve the same aim.

Scope

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Define the scope of the services *(SMART):*

A plan demonstrating proposals to meet the objectives of the work, including suggestions on progressing work.

Project Stage A – deep dive

Stage A of the project will have three initial sprints (Sprints 0,1 and 2).

In Sprint 0, Methods will:

- establish ways of working – including day-to-day working with Defra colleagues, in a way that is built on transparency and open communication
- establish project show and tells at the end of each sprint to share early findings and generate feedback from a wide range of stakeholders
- produce a stakeholder engagement plan, in collaboration with the project sponsor
- design a survey that can be disseminated widely to get a broad reach and generate varying perspectives.

In Sprints 1 and 2 Methods will conduct a deep-dive exercise into how change programmes currently engage with customers to understand their perspectives, prepare them for change, and involve them in co-design and delivery.

This will be done through:

- stakeholder interviews
- review of relevant data and documentation from projects that have taken a customer-centric approach
- commissioning of and reviews of survey results
- collaborative workshops.

Following this research, the Methods' project team will evaluate the research data and prepare a report. Methods will look for opportunities to collaboratively analyse the data with Defra stakeholders.

This exercise is important to understand the current picture, the extent of the problems, and examples of good practice.

Methods understanding is that this exercise will provide a catalyst for a behaviour change exercise - to encourage new ways of working amongst change delivery professionals. This exercise will enable us to take a human-centric approach to our own delivery, so we can understand what the opportunities, pain points and perspectives are of the change delivery professionals.

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Reasons for not engaging with users and customers in the design and delivery of change programmes can include:

- a lack of awareness of different ways of working
- a lack of skilled capability to deliver projects in a customer-centric way
- a cultural reluctance to engage customers, either because of an underlying belief that 'the organisation knows best' or because of previous experiences where it has not gone well.

After this initial phase, we will review progress and review the scope and plan for the remainder of the assignment, to review what products, communications or approaches will be best placed to encourage a change in behaviour.

Stage B – analysis and design

Stage B of the project will be the analysis and design phase, with a further 5 sprints (Sprints 3 to 7).

This phase will focus on iteratively designing products, guidance and communication materials.

At the end of each sprint, we will use Show and Tells as an opportunity to test the outputs with Defra stakeholders. We will use feedback to iteratively develop products.

Methods have proposed a multi-disciplinary skilled team, with experts in:

- user research – to provide best practice guidance on how to create personas, run user interviews, analyse data, and build user research capability
- business analysis – to look at how customer perspectives are embedded in process design and analysis, and how customer-focused metrics and OKRs (objectives and key results) are used to link internal success measures to customer value
- change management – to understand how various change management tools and approaches, such as stakeholder identification, change impact assessments and change agent networks are used to generate interest and buy-in from stakeholders.

As the products are being developed, we will communicate openly with the organisation to talk about the project, the approach, the progress, and the importance of human-centered design and a customer-centric approach to change delivery. This will be done through a range of channels, including internal blogs, videos, and storyboards.

We will also use an Expert Panel with additional skills and expertise in User Research, Human-Centered Design, Communications and Culture Change. The Expert Panel will draw on Methods' wide range of experiences designing human-centered services, to

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> identify examples and case studies that could resonate with Defra and encourage a change in mindsets.

Assumptions and dependencies

Provide further description of the assumptions and dependencies:

Methods have the following assumptions:

- Stakeholder availability. Methods will require input and engagement from programme and project teams to understand the current approach to customer engagement and to be involved in the design process for the project outputs.
- Methods will require support from Defra to use internal engagement channels.

Risk management

Provide further details of any foreseen risks with this project and how they could be mitigated:

The following risks are identified:

- There is a risk that we're not able to engage with the right programme / project to develop the products. We will draw on Business Partner expertise within the Portfolio Directorate to make sure we approach the right teams.
- If the example personas and toolkit artefacts are developed as part of delivery of an existing programme, the timelines of the project may not align with this assignment. It may take much longer for the benefits to be realised to demonstrate the merits in a customer-centric approach.
- Alternatively, if the example personas are developed in a generic way, Methods will need to provide guidance on the additional work that needs to be done for them to be used appropriately for the needs of individual projects in the future
- There is a risk that the toolkit will not be used. As part of Phase 1 and the initial deep-dive into current practices, to mitigate we will investigate what the barriers are to a customer-focused way of working and what current needs the toolkit will fix. Methods will develop outputs in an iterative way, to give Defra the opportunity to provide early feedback. Methods will also conduct its own internal quality assurance
- Methods will seek to engage with customers and users that have been engaged with previously to find out about their experiences. This will require access to relevant data. The terms of engagement, management of consent and customer data will be discussed with the sponsor, and all Defra guidelines will be followed.

Deliverables

Describe what the supplier will produce:

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Deliverable	Success Criteria	Milestone / date	Owner (who in the delivery team?)
Project Stage A – deep dive			
A deep-dive report into current practices	Sharing of findings at show and tell, and sign-off of report from project sponsor	08/07/2022	Delivery Lead
Project Stage B – analysis and design			
Report	Positive feedback from Show and Tell audience, and sign-off from sponsor	26/08/2022	Delivery Lead
Toolkit		26/08/2022	User researcher
Metrics		26/08/2022	Business analyst
Online Tool		26/08/2022	Technical SME
Internal capability development outcomes			
Knowledge transfer	Involvement of internal Defra team in project delivery	26/08/2022	Delivery Lead
Social value outcomes			
Capability building	Methods to deliver the project in a way that helps develop internal Defra capability	26/08/2022	Delivery lead

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 Defra group Commercial.

3. Delivery team

Provide details of the agreed team members including their roles and responsibilities during the project.

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Methods

Role	Grade	Daily rate	# of days	Cost
Delivery Lead	Senior Consultant	■	■	■
User Researcher	Senior Consultant	■	■	■
Business Analyst	Principal Consultant	■	■	■
Technical SME	Principal Consultant	■	■	■
Marketing SME	Principal Consultant	■	■	■
Expert panel	Principal Consultant	■	■	■
Assurance	Director	■	■	■

Total resource	
Total days* **Engagement length**** *Total days worked across all resources **Total working days in engagement	■ ■

Business Area's team

Key business area contacts and their contribution to this work are detailed below. We will draw on other members of the team as needed.

Name	Role	Responsibility
■	Deputy Director Improving Customer Delivery, Portfolio Directorate	Senior responsible officer
■	Head of Customer Innovation and Change	Senior customer
■	Customer Improvement and Technology Specialist, Portfolio Directorate	Defra project lead, day to day contact for work, support on engagement
■	Senior Business Partner, Defra Portfolio Directorate, Portfolio Directorate	Ensuring we have links with the right programmes / projects
■	Head of Business Change (job share)	Support on change readiness and linking with wider work on business

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Name	Role	Responsibility
		change within the Portfolio Directorate

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 £99,118, inclusive of potential expenses and excluding VAT.

Stage	Cost	Due
A – Deep dive		
Deep-dive report detailing the current approach to user engagement across Defra change programmes, where there is good practice, where there are areas for improvement, and what the barriers to a more customer-centric approach may be. This will include requirements for an interactive tool and identified areas where there is good practice that can be used as a case study.	▮▮▮	08/07/22
B – Analysis and design		
- A toolkit, with supporting personas, guidance and support for change delivery professionals - An interactive, online tool to support delivery professionals to identify stakeholder groups to engage with - Guidance on use of KPIs and OKRs to ensure customer perspective is embedded in reporting metrics - Communication materials (to be delivered throughout) to promote human-centered and customer-centric ways of working - A report containing recommendations for future development of a customer-centric way of working, based on the findings and observations of the project team	▮▮▮	26/08/2022
Expenses		
Expenses will be re-imbursed based on actuals and capped in line with Defra T&S policy. Permissible expenses to include: transport e.g. flights, trains, taxis, buses, accommodation e.g. hotels, and subsistence e.g. lunch, evening meals and breakfast while staying overnight.	▮▮▮	26/08/2022
Grand total	£99,118	

Business Area considerations:
- Are the costs and fees appropriate (costs linked to deliverables, rates and drive value for money)?

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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
- Show and tells at the end of each sprint
- A highlight report at the end of each sprint
- A deep-dive report at the end of the first phase
- Stand-ups at least twice a week which the Business Area are invited to attend

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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
1	Progress update	Provide progress updates	Each sprint	███████	███████ highlight reports	100%
2	Programme and Project Engagement	Engagement with identified programmes and projects	Each sprint	███████	Number of identified programmes and projects to engage with	90%

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 of the engagement will be arranged where the Business Area rates the services provided.

Non-disclosure agreements (NDA)

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:
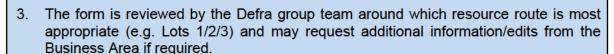
See Deliverables above.

Notice period

The nature of these engagements require that Defra group has the ability to terminate an engagement with notice. Defra group's termination rights for this engagement are marked below.

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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 Defra group, confirms which approvals are required for an engagement to occur, e.g. Consultancy Governance Board if over £100k or Defra group Corporate Services Delivery Board if under £100k.

2. Request Form completed by Business Area and submitted to Defra group at:

   ████████████████████

3. The form is reviewed by the Defra group 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 Defra group, 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 Defra group 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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