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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 [DqCConsultancy@defra.gov.uk](mailto:DqCConsultancy@defra.gov.uk)

Engagement details			
Engagement ref #	DPEL_61541_022		
Extension?	N	DPEL Ref.	N/A
Business Area	Marine Management Organisation (MMO) – Finance and Resources Directorate		
Programme / Project	N/A – BAU Activity		
Senior Responsible Officer	[REDACTED]		
Supplier	Methods		
Title	MMO Culture, Recruitment and Retention Review		
Short description	A review, which under the leadership of the MMO Director of Finance and Resources, will report its findings to the MMO CEO and Chair to consider the following aspects of MMO HR related activities: <ul style="list-style-type: none"><li>- Attrition and Movement</li><li>- Recruitment</li><li>- Employee Lifecycle</li><li>- Culture Audit</li></ul>		
Engagement start / end date	21/04/2022	12/08/2022	
Funding source (CDEL/RDEL)	RDEL		
Consultancy Spend approval reference	Director approval for consultancy spend obtained and AO approval obtained for Cabinet Office reporting		
Expected costs 21/22	£0		
Expected costs 22/23	£98,999 + VAT		
Expected costs 23/24	£0		
Dept. PO reference	TBC		
Lot #	Lot 3		
Version #	0.6		



Approval of Project Engagement Letter

By signing and returning this cover note, MMO 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.

Signatures		
Supplier	Business Area	Defra Group Commercial
19-04-2022   15:18 BST	20-04-2022   03:12 PDT	20-04-2022   15:22 BST
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



## 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

Over four years MMO has been preparing to support Defra for the end of the EU Transition Period resulting from EU Exit. The MMO has for a long period also ran with single year funding, temporary structures and new functions, roles and skills which will now look to be baselined into the organisation in the long term. Additionally the recent 24 months of Covid 19 has impacted ways of working across the MMO. In the last six months MMO undertook a People Survey, which has highlighted some positive progress, although there remain some key areas for improvement; MMO has set strategic ambitions for the next ten years, much of which will be significantly influenced by our investment in people, from determining the priority of the roles we can afford, the skills and experiences we need and our ability to retain those people in MMO thereafter. The importance of understanding our people experience is critical to how the MMO corporately prioritises its response to this in its People Strategy.

## 2. Statement of services

### Objectives and outcomes to be achieved

#### - Attrition and Movement

Conduct approximately 40 exit interviews with both ex-employees and contingent labour to bring out themes or considerations that can be fed into improving the employee lifecycle or culture audit for MMO as an organisation.

Conduct desk research and carry out relevant sessions with staff to review current process, documents and approach, this analysis should lead to the production of recommended improvements.

Develop an understanding of both voluntary and internal attrition to allow MMO to identify approaches to resolve attrition in a holistic way rather than just targeting specific areas where it appears higher.

#### - Recruitment

A review of the MMO's current approach and other pilots which are operating elsewhere, undertake bench marking that will explore options that leverage existing improvements to the recruitment process and applicant journey.



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Produce a report that makes recommendations that could improve the design of recruitment packs and advertising strategy and undertake long listing activities including consideration of the specialist and more generalist roles in MMO.

- Employee Lifecycle

Complete a review of current arrangements making comparisons to other Government and Public sector comparators. There will be focus on bringing an external perspective of how MMO can improve the employee lifecycle, in particular relation to skills and personal development and associated methodologies to consider in the modern workplace environment. Consideration and assessment of the MMO Employee Value Proposition will take place as part of the analysis.

Production of a report that makes recommendations, based on the findings of the review and wider considerations

- Culture Audit

Undertake a "culture audit" to establish and understand current MMO culture, identifying what needs to be addressed, confirm what MMO want to change.

Engage with key leads from the MMO Board and Executive Leadership Team to discuss their aspirations for culture at MMO.

Play back findings from culture audit to senior leadership to form the basis of an Action Plan that will be included in the MMO People Strategy. The action plan will detail the practical actions required to move the MMO to the target state cultural model, including recommendations to meet your culture ambitions.

## Scope

Scope	
Attrition and Movement Activities	Key Outputs
<ul style="list-style-type: none"> <li>■ Conduct interviews with the current workforce, including Hiring Managers and new starters</li> <li>■ Conduct interviews with identified ex-colleagues of the MMO</li> <li>■ Conduct interviews with recent unsuccessful applicants</li> <li>■ Workshop(s) to develop 'Rich Picture' capture to combine feedback from interviews</li> <li>■ Develop high-level process architecture for Recruitment processes</li> <li>■ Identification of bottle necks/ pain points and opportunities for improvement within the process architecture</li> <li>■ A/B Cultural Analysis of interactions between teams identified in the process architecture</li> <li>■ Review attrition rates in comparable organisations</li> <li>■ Analysis of permanent, fixed-term and contingent segments (subject to provision of the information</li> </ul>	<ul style="list-style-type: none"> <li>■ Rich Picture</li> <li>■ Interview findings and key themes including analysis by employee type (e.g permanent, FT, CL)</li> <li>■ A/B Cultural Analysis</li> <li>■ High level process architecture</li> <li>■ Pain points and Opportunities</li> <li>■ Identified internal and external influences/factors that affect attrition</li> </ul>



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required to enable this analysis and any limitations caused by the need to avoid individuals becoming identifiable)	
<b>Recruitment Activities</b> <ul style="list-style-type: none"> <li>■ In depth analysis of the creation of recruitment packs including error proofing opportunities</li> <li>■ Assessment of current recruitment packs to ensure they are accessible and do not reduce the likelihood of candidates from one of the protected characteristics under the Equality Act applying for roles at MMO</li> <li>■ Make practical recommendations regarding increasing the diversity of candidates applying for roles at the MMO</li> <li>■ Analysis of current state advertising strategy</li> <li>■ Produce recommendations for move to new strategic advertising strategy</li> </ul>	<b>Key Outputs</b> <ul style="list-style-type: none"> <li>■ Report detailing recommendations to the MMO recruitment packs</li> <li>■ As-Is report on the current advertising strategy with To-Be recommendations of a future advertising strategy</li> <li>■ EDI Assessment of Recruitment Packs and EDI Recruitment Recommendations</li> </ul>
<b>Employee Lifecycle Activities</b> <ul style="list-style-type: none"> <li>■ Conduct analysis of the role models for the lifecycle an employee</li> <li>■ Model key skills and responsibilities against the roles required of the MMO</li> <li>■ Produce recommendations based on the employee models</li> <li>■ Assessment of the Employee Value Proposition</li> </ul>	<b>Key Outputs</b> <ul style="list-style-type: none"> <li>■ Role models for generalist/ specialist/ Management within the MMO</li> <li>■ Define key skills and responsibilities for the role models</li> <li>■ Recommendations around the Employee Value Proposition</li> </ul>
<b>Culture Audit Activities</b> <ul style="list-style-type: none"> <li>■ Hold with Leadership to understand their aspirations</li> <li>■ Co-design an audit approach to map your current culture – likely to include workshops with Leadership, Management and Operational colleagues of the MMO, supported by a culture survey</li> <li>■ Playback audit findings including feedback on the current culture and views on a future target culture</li> <li>■ Model and define a target culture, including considerations of the cultural and ethical interactions between Leadership, Management and Operational levels within the MMO</li> <li>■ Produce recommendations based the study of the cultural interactions within the MMO</li> <li>■ Make recommendations and develop an action plan to achieve the target culture</li> </ul>	<b>Key Outputs</b> <ul style="list-style-type: none"> <li>■ Summary of workshop findings and survey results</li> <li>■ Mapping of current ‘as-is’ culture with key areas of focus</li> <li>■ Defined target culture</li> <li>■ Action plan and recommendations</li> </ul>



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## Assumptions and dependencies

- Work will be carried out remotely, other than by exception agreed by both parties
- Internal and external stakeholders identified for interviews will be able to engage via virtual conferencing tools such as Microsoft Teams/Google Meet/Zoom etc.
- MMO will provide access to relevant necessary information and documentation to complete the work, including strategies, analytics, existing research etc. by the end of 'Sprint 0' at the latest
- MMO will provide access to key stakeholders - the timescales and deliverables are dependent on access to relevant stakeholders and staff within the engagement period.
- MMO will provide administrative and logistical support (scheduling of workshops, etc.).
- If stakeholders are not available during the period allocated for the work then milestones and final delivery of the work may be delayed

The PID which is developed during Sprint 0 will confirm the outputs and their acceptance criteria based on the approach set out in this DPEL. Any significant amendments to the time, cost or quality (or number) or deliverables will be subject to change control as per the process agreed in the PID

## Risk management

- There is a risk that all of the required documentation to enable the analysis to be carried out is either not available or is insufficient for the stated deliverables
- There is a risk that there is a lack of access to key stakeholders within the agreed timescales, particularly where senior input is required
- There is a risk that people are not candid and fully open with their responses if they believe that what they have said could get back to management
- There is a risk that some of the findings may not be well received if they are seen to be critical of the organisation, groups of people or individuals

## Deliverables

Describe what the supplier will produce:

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
<b>Project Stage A</b>			
Discovery Findings	Findings from interviews and surveys summarised, with key themes identified and understood	Discovery	To be confirmed





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Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
	by key MMO stakeholders. Including - Rich Picture Diagram - Segmentation of employee types and differentiation between findings for these groups (subject to information being available to Methods and being able to maintain anonymity) - A/B Cultural Analysis - Pain Points & Opportunities Analysis - Identified internal and external influences/factors that affect attrition - Analysis of current recruitment packs and advertising strategy		in Project Initiation Document (PID)
High level process architecture	High level process flows and how they interact for in-scope processes defined and agreed by MMO	Discovery	TBC in PID
EDI Assessment of Recruitment Packs and EDI Recruitment Recommendations	Current recruitment packs assessed for accessibility and to ensure they do not reduce the likelihood of candidates from one of the protected characteristics under the Equality Act applying for roles at MMO. Recommendations on how to increase diversity of candidates applying for roles at MMO	Discovery	TBC in PID
Summary of as-is culture findings	Summarised views of the findings elicited through surveys and interviews for the culture work that enables key stakeholders to understand the findings and views about the target culture from those engaged through this work. Including representative view of the current culture that enables ELT to understand the current cultural landscape at MMO and inform discussions on a desired target culture	Discovery	TBC in PID
<b>Project Stage B</b> (additional stages can be added)			
Models for generalist/ specialist/ Management roles within the MMO	Analysis of the current model of generalist, specialist and	Analysis & Design	TBC in PID



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Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
	management roles within MMO and recommendations around potential future model(s), including key skills and responsibilities for key roles based on model recommendations		
Report detailing recommendations to the MMO recruitment packs	Delivery of a report pulling together clear and understandable findings from recruitment work with actionable recommendations, including	Analysis & Design	TBC in PID
Recommendations around the Employee Value Proposition	Actionable recommendations to inform an MMO Employee Value Proposition based on the findings of the Employee Lifecycle work	Analysis & Design	TBC in PID
Defined target culture and action plan	Clear description of the desired target culture with associated characteristics. Clear and achievable action plan to implement the agreed target culture with actionable recommendations to achieve the plan	Analysis & Design	TBC in PID
Final summary report	Final summary report pulling together the various findings and outputs into an overarching deliverable	Analysis & Design	TBC in PID
<b>Internal Capability Development Outcomes</b>			
Knowledge Transfer (KT) framework applied and included in final report	KT plan approved by client and signed off by relevant recipients		
<b>Social Value Outcomes</b>			

### Limitations on scope and change control

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



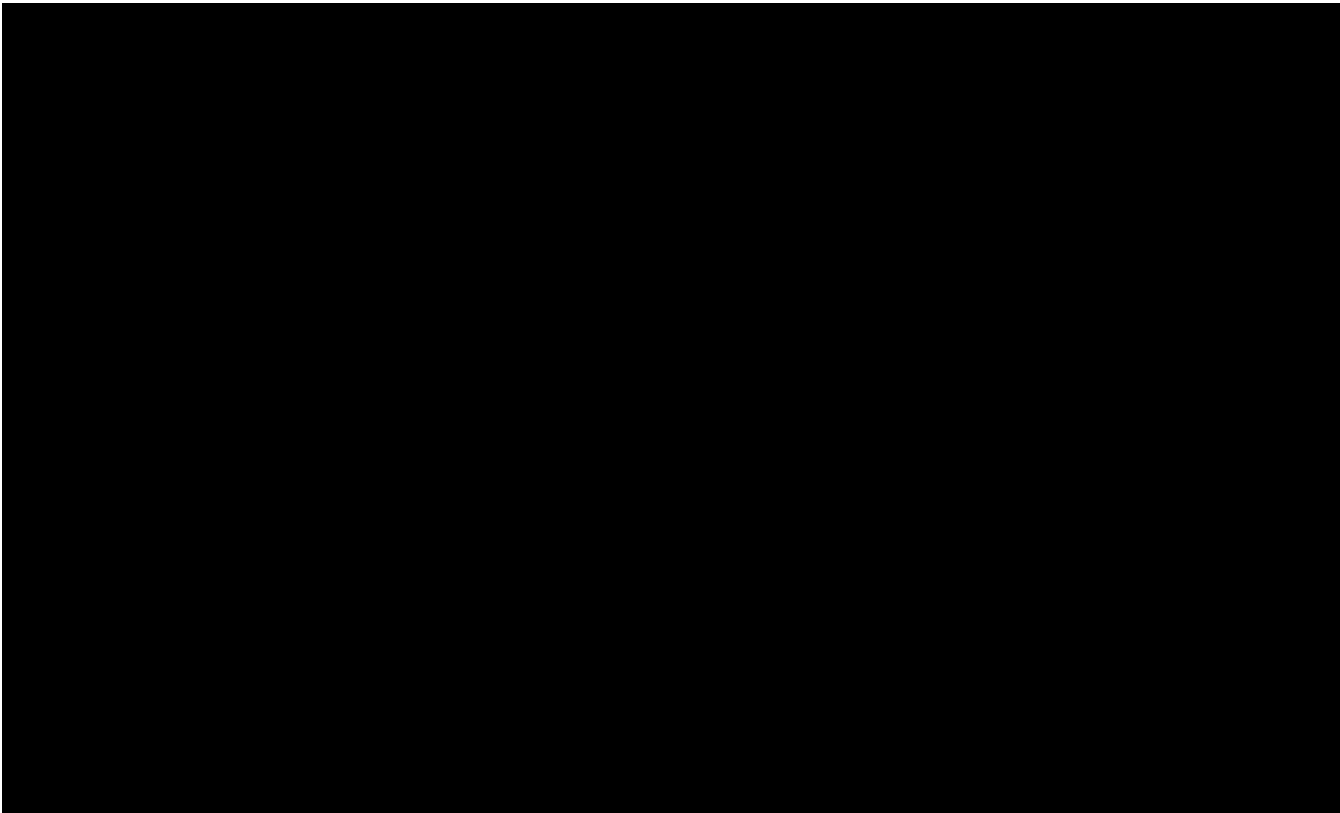


Unless instructions to the Supplier are later amended in writing, the work undertaken will be restricted to that set out above. In providing the services detailed above, the Supplier will be acting in reliance on information provided by the Business Area.

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**

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



**Business Area’s team**

To be confirmed in Project Initiation Document
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**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 £98,999, inclusive of expenses and excluding VAT.



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Stage	Cost	Due (link to milestone dates)
<b>A</b>		<b>DD/MM/YY</b>
Completion and submission of all 'Discovery' deliverables listed in the DPEL	£ 50,268	01/07/22
<b>B (additional stages can be added)</b>		
Completion and submission of Discovery & Design deliverables listed in the DPEL	£ 34,331	29/07/22
<b>C (additional stages can be added)</b>		
Sign-off from MMO of deliverables listed in the DPEL	£ 9,400	12/08/22
<b>Expenses</b>		
Expenses will be re-imbursed based on actuals and capped in line with Defra T&S policy. Any proposed expenses to be agreed with MMO during PID stage. 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.	£ 5,000	29/07/22
<b>Grand total</b>	<b>£98,999</b>	

*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

Governance and report requirements will be agreed in the Project Initiation Document

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;

### Key Performance Indicators



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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
To be confirmed in Project Initiation Document						

### 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

The overarching MCF2 framework include NDAs. Insert any additional NDA requirements here.

## 6. Exit management

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

To be confirmed in Project Initiation Document

### 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.



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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"> <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>

