

**Provider Market Oversight (PMO) Framework: Forensic Accounting and  
Investigation Support Services**

**Engagement Letter (Lot 2)**

<b>Engagement Number</b> (to be quoted on all correspondence)	PMO/L2/06
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	<b>From</b>	<b>To</b>
<b>Name</b>	DfE  The Secretary of State for Education	Contractor: EY  Ernst & Young LLP
<b>Address</b>	Sanctuary Buildings, 20 Great Smith Street, London, SW1P 3BT	Ernst & Young LLP 1 More London Place, London, SE1 2AF <i>(registered in England and Wales under number OC300001) whose registered office is 1 More London Place, London, SE1 2AF.</i>
<b>Invoice Address (if different)</b>	Department for Education PO Box 407 SSCL Phoenix House, Celtic Springs Bus. Park Newport NP10 8FZ <a href="mailto:Accountingservices.esfa@education.gov.uk">Accountingservices.esfa@education.gov.uk</a>	
<b>Representative Details</b>	DfE Representative	Contractor's Representative
<b>Name</b>	<Redacted under S40 of the FOIA>	<Redacted under S40 of the FOIA>
<b>Email</b>	<Redacted under S40 of the FOIA>	<Redacted under S40 of the FOIA>
<b>Telephone number</b>	<Redacted under S40 of the FOIA>	<Redacted under S40 of the FOIA>

<b>The Effective Date</b>	Date of signature of this letter by both parties.
<b>The services are expected to be complete by</b>	30 <sup>th</sup> November 2022

## SERVICES

### 1. Scope of the Appointment

DfE will tick the relevant box(es) below to indicate the Services covered by the Engagement and will include additional detail in Annex A. DfE will specify in Annex A which Services are required from the Effective Date of the Call-Off Contract and which Services may be requested by DfE during the term of the Call-Off Contract.

#### A. General Services

Service Name	Required (Y/N)	Service Name	Required (Y/N)
Investigation of data following allegations of suspected fraud	<input type="checkbox"/>	Expert witness services	<input type="checkbox"/>
Background and open source intelligence searches	<input type="checkbox"/>	Investigation of allegations of suspected fraud and/or financial irregularity	<input checked="" type="checkbox"/>
Capture, recovery, and storage of electronic data	<input checked="" type="checkbox"/>	Recognising and assessing potential regulatory breaches	<input type="checkbox"/>
Evidence Gathering	<input checked="" type="checkbox"/>	Forensic accounting and complex financial analysis	<input type="checkbox"/>
Interviews, correspondence, and surveys	<input type="checkbox"/>	Assessment of evidence and production of reports to support conclusions	<input checked="" type="checkbox"/>

		reached	
Financial analysis	<input type="checkbox"/>	Any other Investigative services which may be required	<input type="checkbox"/>
Asset Tracing and advice on recovery options	<input type="checkbox"/>		
Reporting findings and conclusions	<input checked="" type="checkbox"/>		
Other Supplementary Activity	<input type="checkbox"/>	Other Details: (Please specify)	

**B. Specialist Services (On request from DfE)**

Service Name	Required (Y/N)	Service Name	Required (Y/N)
Forensic Accounting and Investigation Support	<input checked="" type="checkbox"/>		
Investigation support to other framework lots	<input type="checkbox"/>		
Expert witness services and assessing quantum on civil claims	<input type="checkbox"/>		
Other Supplementary Activity	<input type="checkbox"/>	Other Details: (Please specify)	

## 2. Rate Card

**Please insert Contractor rate card (which shall not exceed the rate card as set out in the Framework Agreement)**

**Please see p18 (p7 of Annex B) below.**

Grade	Role	Hourly Rate £ (Exc VAT)	Daily Rate £ (Exc VAT)
Director/Partner	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>
Senior Manager	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>
Manager	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>
Assistant Manager	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>
Qualified Accountant	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>
Analyst	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>
Other Staff	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>	<Redacted under S43 of the FOIA>

## 3. Costs (to be completed by Contractor)

Please provide a breakdown of Contractor resource, time, cost, and total cost and including any discounts applied.

**Please see p18 (p7 of Annex B)**

Costs are firm for the scope of the Framework Agreement. Any payment outside of this agreement must be agreed in writing with DfE before the Effective Date and will be in exceptional circumstances only.

## 4. Charges

Clause 14.1 of the Framework Agreement (Charges for Services) determines that Charges for any Services under a Call-Off Contract should be set out in the Engagement Letter and shall be based on the

prices set out in schedule 4 of the Framework Agreement (Charging Matrix). The Charges associated with this Engagement shall be as follows:

**Please see p18 (p7 of Annex B) below. Estimate of £45,000 (ex VAT) plus £3,000 expenses.**

## **5. Payment Period (if different from the Call-Off Contract Terms and Conditions)**

Invoices to follow completion of the proposed work.

## **6. Performance**

<b>Service name</b>	<b>Details</b>
<b>Key Personnel of the Contractor to be involved in the Services (and deliverables)</b>	<b>See p17 (p6 of Annex B below).</b>
<b>Key-Sub-Contractor</b>	<b>Not Applicable</b>
<b>Service period</b>	<b>From date of signature of this letter to 30-Nov-2022.</b>
<b>Premises at which the Services are to be provided</b>	<Redacted under S43 of the FOIA>

## **Performance Measures:**

### **6A. Key Performance Indicators Specific to Call-Off Contract**

Please insert KPIs specific to the assignment

<b>KPI Reference</b>	<b>Service Area</b>	<b>KPI Description</b>	<b>Target</b>
1	Service Delivery	Completion of the examination to a standard satisfactory to the ESFA/DfE.	100%

2	Conflict Of Interest	Ensuring all conflict of interest information is up to date and ESFA/DfE notified of any changes within 72 hours	100%
3	Cost	Contractor must deliver assignment within agreed Engagement Letter fee budget and any overrun costs are to be agreed with ESFA/DfE in advance.	100%
4	Quality	Contractor able to deliver assignment including reporting within Engagement Letter specification requirements.	100%

**Quality Standards:**

**6B. Service Level Agreement (SLA) Specific to Call-Off Contract**

Please insert SLAs specific to the assignment

SLA Reference	Service Area	SLA Description	Target
Lot 2 - SLA	Reporting	Monthly Framework reporting: submit a monthly report by the Tenth Business Day of the month, including any exception events within this report.	% DfE Monitoring
Lot 2 - SLA	Meetings	Attend Monthly Contractor Meetings as required. Attend development and operations meetings as required.	% DfE Monitoring
Lot 2 - SLA	Complaints	Ensure complaints procedure is adhered to and main management contact to report all complaints in writing to DfE within 3 business days.	% DfE Monitoring

**Management Information (MI) and meetings**

**6C. Meetings and MI specific to Call-Off Contract**

Meetings required	Progress updates weekly. Formal briefing when fieldwork completed and to discuss draft report.
Timing of meetings	TBA
Management Information required	N/A
Management Information deadline	N/A

**7. Reliance Parties**

In accordance with clause 9.1 of the Framework Agreement (Reliance

and Disclosure), DfE may request in an Engagement Letter for additional persons to be added as Reliance Parties. For the purpose of this Engagement, the Parties agree that the following should be included as Reliance Parties:

- Not Applicable

## **8. Public Disclosure**

In accordance with clause 9.7 of the Framework Agreement (Reliance and Disclosure), the Parties may agree that certain Deliverables may be made available to the public. For the purpose of this Engagement, the Parties agree that the following Deliverables can be made available to the public:

- Not Applicable

## **9. Data Protection**

Clause 19.1 of the Framework Agreement (Data Protection) determines that the factual activity carried out by each Party in respect of their data protection obligations under the Framework Agreement shall be set out in the Engagement Letter. For the purpose of this Engagement, DfE shall act as Controller and the Contractor shall act as independent Controller.

Paragraph 4.3 of Schedule 11 of the Framework Agreement (Processing, Personal Data and Data Subjects) determines that, where Personal Data processing differs from the instructions given in the table within Schedule 11, DfE may include such specific instructions in the Engagement Letter and such instructions will apply in respect of that Call-Off Contract. For the purpose of this Engagement, the following instructions (if populated) shall apply the Call-Off Contract:

- Not Applicable

## **10. Contractor's Proposal**

The Contractor shall detail in Annex B how it proposes to perform the Services, as per schedule 4 of the Call-Off Contract (The Contractor's Proposals).

## **11. Confidential Information**

In addition to the information stated in Schedule 12 of the Framework Agreement, the following information shall be deemed to be Commercially Sensitive Information (Schedule 3 of the Call-Off Contract):

- Not Applicable

Duration that the information shall be deemed Commercially Sensitive Information: 6 years

### Approval and Authority to Proceed

**BY SIGNING AND RETURNING THIS ENGAGEMENT LETTER THE PARTIES AGREE** to enter a legally binding contract with the Contractor to provide to DfE the Services specified in this Engagement Letter incorporating the rights and obligations in the Call-Off Contract set out in the Framework Agreement entered into by the DfE and the Contractor on 16<sup>th</sup> April 2021.

Name	Title	Signature	Date
<Redacted under S40 of the FOIA>	<Redacted under S40 of the FOIA>	<Redacted under S40 of the FOIA>	13/06/22
<Redacted under S40 of the FOIA>	<Redacted under S40 of the FOIA>	<Redacted under S40 of the FOIA>	06/06/22



**Annex A**

**Contract Specification**

<b>Education Provider</b>	
<b>Name</b>	<Redacted under S43 of the FOIA>
<b>Address</b>	<Redacted under S43 of the FOIA>
<b>Site Contact Details</b>	<Redacted under S40 of the FOIA>
<b>Additional Information</b>	<Redacted under S40 of the FOIA>
<b>Scope of Appointment</b>	
<b>Guidance</b>	<b>Please delete areas which are not required for this Call-Off Contract</b>
<b>Capture, recovery, and storage of electronic data</b>	<b>As described in EY proposal at Annex B.</b>
<b>Evidence Gathering</b>	<b>As described in EY proposal at Annex B.</b>
<b>Reporting findings and conclusions</b>	<b>As described in EY proposal at Annex B.</b>
<b>Investigation of allegations of suspected fraud and/or financial irregularity</b>	<b>As described in EY proposal at Annex B.</b>
<b>Assessment of evidence and production of reports to support conclusions reached</b>	<b>As described in EY proposal at Annex B.</b>
<b>Forensic Accounting and Investigation Support</b>	<b>As described in EY proposal at Annex B.</b>
<b>Outputs</b>	
Insert details of any reporting requirements specific to the Call-Off Contract <b>As described in EY proposal at Annex B.</b>	

## **Annex B - Contractor Proposal**

<Redacted under S43 of the FOIA>