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Defra Group Management Consultancy Framework: Project Engagement Letter

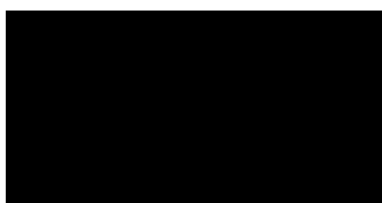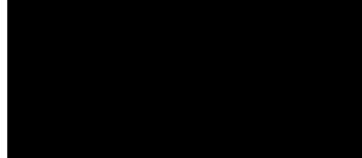Completed forms and any queries should be directed to Defra Group Commercial at ███████████████

Engagement details			
Engagement ref #	DPEL_61539_004		
Extension?	N	**DPEL Ref.**	N/A
Business Area	Marine Management Organisation		
Programme / Project	MMO Evidence / Defra Future Fisheries		
Senior Responsible Officer	███████████████		
Supplier	Deloitte		
Title	Radio frequency identification (RFID) Tag traceability system feasibility study		
Short description	As part of a wider programme of work looking at traceability within the fisheries sector this project aims to inform on the feasibility of remote frequency identification (RFID) tag systems for traceability for English fisheries.		
Engagement start / end date	24/01/2022	04/03/2022	
Funding source	Defra Funded, MMO delivery		
Expected costs 21/22	£64,500 (exc. VAT)		
Expected costs 22/23	N/A		
Expected costs 23/24	N/A		
Dept. PO reference	TBC – MMO to be invoiced directly		
Lot #	Lot 1		
Version #	Final		

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Approval of Project Engagement Letter

By signing and returning this cover note, Marine Management Organisation (MMO) accepts the contents of this Project Engagement Letter as being the services required and agrees for Deloitte 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**
	By: _____ *Signature*	
or and on behalf of Deloitte LLP Partner	For and on behalf of MMO	Defra Group Commercial Consultancy Lead
14 January 2022	18th January 2022	19th January 2022
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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1. Background

The UK Government is committed to achieving a future of fully documented fisheries, which can ensure a well evidenced, sustainable future for the fishing industry. The ability to reliably trace fish from point of catch to point of sale is an integral part of this overall ambition and a key priority for Defra's Control & Enforcement policy team.

Beyond the domestic arena, traceability is critical in ensuring that consignments of fish can be successfully and speedily exported abroad for processing, transport and ultimate sale. The UK's ability to reliably demonstrate compliance with international IUU regulations through catch certification validation etc. is also a fundamental part of demonstrating its status as a capable, compliant independent coastal state within the global system.

In the UK it is a legal requirement that fish be traceable from catch to the first point of sale, however in practice demonstration of compliance is highly variable. The key challenges to improving traceability of fish are:

• Accurately linking the physical fish with the data which is reported by fishers
• Ensuring that data is submitted on time, accurately and in the correct format
• Maintaining the accuracy of data as fish moves between stages (including the possible mixing of fish from different vessels).

> In 2020, the Defra Control & Enforcement policy team commissioned a desk-based research project to examine these challenges and identify relevant technologies which could be applied to resolve them. This commission is to explore the suggestion put forward from the desk top review that RFID tagged traceability solutions are a viable option to improve traceability in English fisheries and the subsequent supply chains.

2. Statement of services

Objectives and outcomes to be achieved

This project has the following objectives
• Identify fishing fleets covered by RFID traceability solutions in Belgian and Danish fisheries and compile lessons learnt from implementation of RFID traceability in those countries. Pre-defined fishery archetypes have been agreed for this project to limit the scope of variables in each study country.
• Explore any available feedback from fishers in archetype fleets on the use and implementation of RFID on board the vessel?
• Identify and quantify additional benefits available from RFID tagging beyond improved traceability through supply chain to the industry, for example - have fish price increases been observed at auctions and merchants because of improved traceability post roll out. Importantly, has timeliness and accuracy of data submission improved at the first point of sale and have compliance rates improved?
• Explore how non boxed fisheries such as pelagic bulk landings, shellfish landings and scallops or other bagged landings are traced in RFID tagged system?

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•   Specify any data standards that must be implemented when using an RFID tagged solution, is GS1 data standard necessary and will it become a common standard across the EU (European Union)?
•   Establish the equipment requirements and costs associated with implementing RFID tagging solution to a vessel, auction site / merchant the buys from the auction to track fish in and out of their business, also merchants that buy direct from vessels.
•   Identify recommended best use of RFID tagged solutions in English fisheries, most appropriate fleets and locations for roll out.
•   Identify where and why RFID traceability implementation has not been possible in Belgium and Denmark, for the agreed archetypes.
•   Investigate the interoperability of the RFID solution with existing traceability methods used in the supply chain after first point of sale. Has net to plate traceability been achieved across the supply chain in, Belgium and Denmark?

Scope

RFID technology has been extensively implemented in some European fisheries. Belgium and Denmark are of relevance as English fish markets already has some software and hardware elements in place from companies used in these European deployments of RFID.

This study will deliver a report which informs on the successes and challenges of implementation of RFID traceability in Belgium and Danish fisheries. It will inform on the costs of implementation and the applicability to various fleets and sectors, as laid out in pre agreed archetypes. Importantly, we need to understand the range of archetypes that have successfully utilized RFID traceability solutions in these countries.

It will also inform on feedback from fishers and wider fisheries supply chain whether there are demonstrable benefits post implementation of RFID to the first point of sale and through the supply chain.

Also, to be considered is the interoperability of the RFID solution with existing traceability methods used in the supply chain after first point of sale.

The key questions the report analysis will seek to address are:

•   Does RFID tracing tech genuinely improve timeliness and accuracy of data submission when fish enter the market?

•   Does the data from this tech reach the retail end of the chain with sufficient quality and accuracy? (to support effective food standards and marketing)

•   In both cases; A degree of the improvement to understand the business case/policy change, this will include both qualitative and quantitative analysis where possible.

•   What are the typical costs of installing RFID tech in different archetypes?

The breadth of the analysis

•   Focus on two markets as exemplars of two distinct contexts; Belgium (mature in adoption of RFID with predominantly bigger boats and ports), Denmark (more diverse fleet and port/merchant route to market)

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•   Sample interviews and data from a non-exhaustive number of archetypes

Assumptions and dependencies

•   support the project with initial industry contacts from open source and direct contacts at MMO equivalents in Belgium and Denmark (subject to EU/UK negotiations concluding). •   Data provision to inform research such as sectors of UK industry currently not submitting data on time. •   fisheries functions staff can be included as participants in any research but should be excluded from delivery of the research activity itself to maintain independence. •   a project steering group containing membership from Defra and MMO delivery teams has been formed. •   In accordance with 10.13 of the Call Off Contract, the Customer provides its approval for the Supplier to take information offsite and work offsite. •   The Customer will notify the Supplier prior to the commencement of the Services of any internal policies, security policies, ICT policies, or other policies, codes or procedures that it requires the Supplier to comply with (and where applicable update the Supplier to the changes in any such policies). •   Business Area project leads will provide the Supplier with access to third-party stakeholders (e.g. academics, industry specialists) as deemed appropriate and any involvement of such stakeholders would be part of the agreed scope of work (e.g. attending the workshop, providing insight at the current state review stage).

Risk management

Nominated supplier unable to deliver necessary skills for project completion.   *Ensure DPEL accurately reflects requirements and challenge suppliers at discussion phase. Source appropriate sub-contractors.*   Project timelines slip and impact on delivery within FY 21/22 (funding for this phase of the traceability work is time limited to 31/03/22).   *Ensure clear deliverables provided within DPEL. Weekly or fortnightly supplier meetings to include progress reports and supplier to advise of any potential for non-delivery.*   Supplier must await clearance from MMO before approaching fisheries authorities (MMO/DEFRA equivalents) in Belgium and Denmark, due to ongoing UK/EU negotiations. Risk of not being able to contact authorities within project timeline.   *MMO to keep updated on negotiations status and prepare contact details – communicate changes with suppliers quickly for efficient engagement once possible.*   Lack of engagement from Belgian and Danish industry, resulting in insufficient interview numbers.

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> *Suppliers to draft mitigation strategy in first week of project to build in options. Build in checkpoints where suppliers can update on response rate from industry and additional input from MMO may be required to assist in generating contacts.*

Deliverables

The outputs of this project will include the following.
- **Week 1: Initiation**
    Day 1 – agree project scope and finalize stakeholder targets (to be spread evenly across archetypes) and begin reach out
    Remainder of week
    draft inception report skeleton to confirm alignment with target insights and how they are best presented. To include methodology/approach and research questions necessary for the research
    Number of meetings with project managers
    Draft, iterate and sign-off interview and data request questions
    Begin desk research
    Organising stakeholder calls for any early returns
    Risk register/mitigation strategy drafted in case engagement with 30 stakeholders is not possible.
    Ethical/GDPR protocol and prepare a project information sheet for stakeholders for MMO to approve.

- **Week 2 + 3 consultation/engagement**:

    Provide MMO draft of structured interview questions
    Update on secondary data request at project manager meeting (contact MMO stats or ops team for Denmark/Belgium country equivalent)
    Interviews and stakeholder chasing, 6 days with 5 interviews per day (c30 minutes to hour) in week 2 and 3. This factors in gaps between interviews and capacity in the 2 weeks to synthesize findings.
Checkpoint at end of week 2 and again at end week 3 to consider number of interviews completed and number scheduled. May need to reduce intensity of resource application to enable longer timeframe for responses beyond week 3.
- the stakeholders coming back with promptly with availability that works in that 2 week window, may need to extend consultation / engagement window with lower intensity supplier resource.
    Iterative capture of insights into an insight log throughout consultation / engagement phase (production of spreadsheet noting date, time and number of times stakeholder contacted, with initials)
    Continued desk research where appropriate

- **Week 4 to 6, possible extended interview / engagement period , analysis and write up:**
    Conclude remaining interviews / engagement
    Consolidate findings into agreed report format
    Conduct analysis and formulate recommendations.
    Submit draft report, in MSWord to MMO Style template (provided at inception) in plain English followed by 1 review round and iteration
    Recommendations or insights by Deloitte on RFID
 Submit Final report incorporating the comments and recommendations identified at the draft final stage

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Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Project Stage A			
Inception and scoping report	Confirmed stakeholder target list Draft structured interview questions produced Draft report skeleton produced	Completion of Initiation stage	▮▮▮▮
Insight log including stakeholder contact tracking	Structured excel produced and populated iteratively	Completion of Consultation and Engagement stage	▮▮▮▮
Analysis write-up	Report addresses the key questions outlined in the scope to the extent feasible based on the qual and quant data available	Completion of work	▮▮▮▮
Project Stage B (additional stages can be added)			

Limitations on scope and change control

Unless instructions to the Supplier are later amended in writing, the Services 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 and/or Customer. The Customer shall provide the Supplier with all information that is necessary for the performance of the Services and such information will be accurate, complete and not misleading. The Customer agrees that the Supplier shall not be treated as being on notice of information given to it in the course of previous engagements and so all information that is relevant to the Services must be given directly to the Supplier team even if the same information has been given to the Supplier previously in the course of a different contract or engagement. The Customer will notify the Supplier promptly if any of the information or data it has provided becomes inaccurate or if any of it's requirements change or if it becomes aware of any conflict or ambiguity in respect of the agreed requirements or any circumstances or events which may affect the provision of the Services within the anticipated timescales.

The Supplier will not audit, test or verify the information provided to it in the course of the Services. The Customer agrees that the Supplier shall be entitled to rely on all information provided to it and on the Customer's decisions and approvals in connection with the Services and to assume that all such information from whatever sources is true, complete and not misleading. The Supplier will not be responsible for the consequences of any information provided to it in the course of the Services not being complete, accurate or current.

Delays caused by circumstances outside the Supplier's control will be subject to change control and will not incur any penalty or loss to the Supplier. The Customer will promptly inform the Supplier of any circumstances or events which are likely to affect the provision of the Services within the anticipated timescales.

The Supplier's performance of the Services, the timetable, the level of the Project Engagement Letter Charges and any fee estimates each depend on the accuracy and completeness of any assumptions and the performance of the Customer's obligations under the Contract and Project Engagement Letter.

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The Supplier assumes that the project timeline is indicative only and will be subject to change. Any timetable will be dependent on the Parties fulfilling their respective responsibilities.

The Project Engagement Letter is the agreed contract of work between Defra , Business Area and the Supplier and can be varied under the Variation Procedure. Any changes to timescales, scope and costs will require approval by DgC.

In the event that additional or follow on support is required, this will be managed as an extension to this Project Engagement Letter and require a Variation and/or new Project Engagement Letter to be agreed between the Parties.

3. Delivery team

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

Name	Role (link to stage/s resource will work on)	Grade	Daily rate	# of days	Cost
███████████	Engagement Partner	Partner	████	█	██████
████████	Engagement & Senior Stakeholder Lead	Director	████	█	█████
██████████	Day to day lead	Principal Consultant	████	█	█████
███████	Day to day delivery support	Consultant	████	█	█████

Total resource **Total days*** **Engagement Length**** *Total days worked across all resources **Total working days in engagement	**62 / 30 days**

Business Area's team

MMO will designate a lead from the existing internal team to interact with the Supplier, and to facilitate engagement with others across any relevant Directorate/s or sensitive external stakeholders as needed.

The Customer and/or the Business Area will remain solely responsible for managing all aspects of its business and applying its independent business judgement to evaluate any advice or recommendations that the Supplier provides it. The Customer will be responsible for deciding whether the Supplier's recommendations make sense in the context of its business and whether it wishes to rely on, implement or act on them, including the actions necessary to realise any expected benefits.

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 £64,500, inclusive of expenses and excluding VAT.

Provide costs for any particular stages to the engagement.

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Stage	Cost	Due (link to milestone dates)
A		DD/MM/YY
Handover of final report	£64500	31/3/2021
B (additional stages can be added)		
n/a	£	
Expenses		
No expenses expected – if any are identified these will be discussed and agreed in advance	£	
Grand total	£64500	

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

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;
- Weekly progress update against the agreed activities and deliverables

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	Kick off meeting	Supplier to arrange kick off meeting with project team to discuss all aspects of project delivery	Once, with written summary provided by supplier after meeting	Project Team	Review of meeting note	Within one week of contract commencing

2	Weekly progress meeting	Weekly meeting with project team to discuss progress, seek input/ guidance and raise concerns/risks	Weekly	Supplier	Maintaining a schedule and record of meetings	Unless cancelled by project team, participation from supplier representative at all meetings Supplier to maintain notes, actions and decisions on back of each meeting
3	No of target stakeholders contacted & consulted	Total number of stakeholders engaged	Weekly	Supplier	Insight log / contact tracker	20 - 30 structured interviews
4	1st report draft	Initial draft of report for feedback	Once	Supplier	Project team receipt by email	1 week prior to project end
5	Final report	Report following agreed iterations from feedback	Once	Supplier	Project team sign-off	End of project

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.

6. Exit management

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

See above KPIs

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:

   consultancy2@defra.gov.uk

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	▪ DPEL agreed ▪ DPEL signed: Supplier, Dept and CO ▪ Purchase Order number	▪ Work can start ▪ Supplier can invoice for work