



## 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_61541_004		
Extension?	N	DPEL Ref.	N/A
Business Area	Portfolio Directorate		
Programme / Project	Project Delivery Profession & Business Change		
Senior Responsible Officer	[REDACTED]		
Supplier	Methods Business and Digital Technology		
Title	PDP Development:		
Short description	Consultancy partner support to the PDP Capability delivery programme to help us achieve two key priority areas of our strategy: creating a new resource model for the profession and making better use of data.		
Engagement start / end date	Proposed start date 30/09/2021		Proposed end date 30/03/2022
Funding source	Current financial year		
Expected costs 21/22	£180,526 Total Engagement Costs which have full business approval		
Expected costs 22/23	£TBC, subject to SR		
Expected costs 23/24	£TBC, subject to SR		
Dept. PO reference	Dept. PO reference # (to allow for Defra Group recharge)		
Lot #	Lot 3		
Version #	0.6		




## Approval of Project Engagement Letter

By signing and returning this cover note, The Portfolio Directorate (Project Delivery Profession) accepts the contents of this Project Engagement Letter as being the services required and agrees for Methods Business and Digital Technology to provide the services in accordance with the agreed Supplier Proposal under the overarching contract (Lot 1 / 2 / 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
	By:  <i>Signature</i>	By:  <i>Signature</i>
or and on behalf of Methods  Account Director	For and on behalf of  Deputy Director, Project Delivery Profession & Business Change	Defra Group Commercial  Commercial Manager – Professional Service
30/09/21	30/09/21	30/9/21
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: 

## 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

Defra's Transformation Programme is of a scale and urgency unprecedented for the Department and there are significant gaps in our capacity, capability, and tools to manage the change, achieve our intended programme outcomes and realise benefits for our customers, our stakeholders, and the environment.

As the Project Delivery Profession, it is our responsibility to address these gaps and we have already taken steps to shape a capability development strategy, but to meet the challenge we need support to develop our thinking and plans further and bolster our own capacity to achieve our objectives.

We have recently appointed a Delivery Partner to help us shift our resource model from an over-reliance on contingent labour and external consultancy, to focus on building capability and capacity through a knowledge transfer-led model. The Delivery Partner also brings skills and experience to help develop, implement, and embed our Strategy.

The requirement is for support to help design, build, implement and embed the components of a successful delivery environment across Defra and its agencies. Core to this is the maturing and realisation of the Capability Development Strategy. This, combined with a change in the delivery culture and performance will enable Defra's programmes to succeed and a sustainable delivery capability to flourish.

The current civil servant Project Delivery Profession team does not have the capacity to develop and implement the plan. We need to utilise the skills and capacity of the Delivery Partner to undertake specific work packages to move forward capability development activities at pace. A sustainable internal capability and a high-quality, proportionate assurance environment are critical enablers to the emergence of a successful delivery culture that can absorb the scale of change expected as Defra transforms.

The consequences of not investing in this work will be a failure to implement our capability development plan, perpetuating the current unsustainable cost of external support without increasing our ability to improve delivery and assurance in the long term. It would put the delivery of individual programmes, the Transformation Programme as a whole and the wider portfolio at risk through reliance on a volatile contractor and consultancy market and loss of knowledge and continuity. It would prevent us from achieving our goal of having a successful delivery culture that puts us at the forefront of world class delivery across government.

The work to address the challenges set out above will be carried out across two key priority areas for our strategy. The stages are:

Creating a new resource model and;  
Making better use of data

This DPEL sets out these work packages in detail.

## 2. Statement of services

### Objectives and outcomes to be achieved

The work of the consultants will cover targeted activities mentioned above, to progress the evolution and realisation of the Capability Development Strategy.

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The engagement will commence with a short discovery exercise to review the breadth of activity across our capability development strategy and provide a recommendations report setting out suggested prioritisation of the delivery to maximise 'bang for buck' return on the investment aligned with a benefits management process to identify, profile and track benefits against an agreed set of delivery KPIs. This structure will allow our focused activity on data to baseline our understanding of the profession.

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This work will be followed by design and delivery activity across two key workstreams as follows:

The workstream for creating a new resource model for the PD profession will include:

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- Developing a workforce plan for the PD profession, driven by our analysis of the baseline data and validated through stakeholder engagement. Key areas of activity will include developing a process for PD profession members accreditation to aid 'professionalising' our people in delivery; developing career pathways; a coaching and mentoring and leadership development programme and engaging with HR and PD professions in other departments to review pay levels and Ts & Cs with a proposal for changes.
- Design, development and implementation of a flexible resourcing pool, initially as a pilot to be assessed and adjusted as required to ensure an enduring model for allowing programmes and projects across the delivery portfolio to effectively fill their project delivery resource requirements. Design options will include development of a maturity matrix whereby initially some roles will be filled by a combination of interim and consultancy resource shifting to a perm resource-led model over time. This will baseline and allowing accurate forecasting of capability and capacity of project delivery profession resource across the delivery portfolio.
- Help develop and mature a resourcing Community of Practice for Defra delivery portfolio programme and projects staff to help colleagues understand different resourcing categories and routes to market for contingent and consultancy options as well as key guidance on recruitment for new permanent staff in order to transition out other staff categories as delivery capability and capacity matures over time. The success of the model will require ongoing specialist support from commercial and HR colleagues and will target leadership and resourcing roles in delivery programmes and projects.

The workstream for making better use of data for the PD profession will include:

- Design, development and implementation of a resourcing dashboard and supporting set of management reports to aid in the prioritisation of the development of the PD profession and prioritisation of resources





- Design of data analysis from PD profession members for the purpose of GOST and PDCF reporting ensuring that the data captured is of a high quality and that actions are taken to validate and resolve issues that might prevent progress through a full assessment
- Undertaking analysis of the management of the portfolio and the assurance framework to understand and take account of all data sources (eg. portfolio throughput timescales, recommendations from Gateway reviews, lessons learned logs etc.) to ensure comprehensive resourcing management and dashboard reporting feeding benefits profiling, tracking and realisation against a comprehensive set of metrics.

Structured and robust knowledge and skills transfer from the consultancy team to the internal programme staff to build capability for long term sustainability of the programme and its strategic objectives. This will include coaching, workshopping and documentation aligned to agreed work packages and desired ways of working for the internal team together will monthly reporting on progress.

## Scope

To deliver the outcomes set out above, the overarching scope of the services required is consultancy support with proven experience in establishing project delivery mechanisms and capability aligned with best practice in government.

The delivery scope spans two core workstreams, each of which maps to the roadmap components within the Project Delivery Profession Capability Development Strategy and Plan. The two workstream scope can be summarised as follows:

A short discovery exercise to review the breadth of activity across our capability development strategy and provide a recommendations report;

Development of a workforce plan for the PD profession, driven by our analysis of the baseline data and validated through stakeholder engagement;

Design, development and implementation of a flexible resourcing pool, initially as a pilot to be assessed and adjusted as required to ensure an enduring model for the PD Profession and its members;

Support the development and maturity of a resourcing Community of Practice for Defra delivery portfolio programme and projects staff;

Design, development and implementation of a resourcing dashboard and supporting set of management reports;

Design of data analysis from PD profession members for the purpose of GOST and PDCF reporting;

Analysis of the management of the portfolio and the assurance framework to understand and take account of all data sources to enable the making better use of data work stream;

Detailed and structured knowledge transfer to the internal team managed through agreed work packages on a buddy system, tracked by line management and reviewed monthly by senior management to ensure perm staff are gaining expected benefit to take on subsequent delivery.

Each of the workstream activities listed above contribute to one or more of the outcomes set out earlier in this document and will provide a feed into the deliverables set out below. In addition to those activities set out above aligned with workstreams, cross-cutting activities will include



profession-wide stakeholder engagement, a review of the PDP Capability Development Strategy & Plan and finalisation of a report setting out next stage priorities and options for delivery.

### Assumptions and dependencies

- 1) The delivery team will have access to PDP Profession colleagues as appropriate to inform discovery and validation activities, and to provide views on current priorities and pain points.
- 2) The delivery team will have access to all relevant profession documentation.
- 3) The delivery team will have access to all relevant tools and systems used by the PD Profession
- 4) Any pay and recognition benchmarking activity is subject to availability of reliable and comparable data.

### 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 to provide an accurate reflection of the PD profession membership. This will be mitigated by engaging with HR colleagues to ensure a comprehensive data set can be matched against the PD profession existing data.



## Deliverables

### Deliverables

Describe what the supplier will produce:

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
<b>Project work package A</b>			
A Discovery report, reviewing the breadth of the PD profession strategy delivery challenge	Discovery report which provides actionable recommendations for the future development and embedding of the PD profession	Dec '21	Director
<b>Project work package B</b>			
A workforce plan for the PD profession	An increased sense of professionalisation of the PD profession with structured career pathways, coaching and development opportunities, pay progression progress and a sense of professional community which will be obvious to key stakeholders.	30 Mar 22	Managing
<b>Project work package C</b>			
A Current Operating Model and Target Operating Model for a flexible resourcing pool	Having a functioning resource pool structure for allocation of specialist resources onto delivery programmes and projects thereby shortening resourcing delays and increasing delivery planning confidence resulting in cost avoidance through quicker initiation of projects.	30 Mar 22	Principal
<b>Project work package D</b>			
A resourcing Community of Practice	An increase our capability to deliver resulting in increased visibility and confidence in portfolio delivery.	30 Mar 22	Principal
<b>Project work package E</b>			
Resourcing dashboard and supporting set of management reports	Improved data intelligence and insights providing senior leaders with improved options on prioritisation, upskilling options, informing future strategic planning and options on what currently works and needs to change.	Dec '21	Senior
<b>Project work package F</b>			
Project Delivery Profession data model	Increased confidence in the PD profession from stakeholders measured through structured surveys as a result of the improved knowledge of key allocated resources and improved initiation start up timescales.	30 Mar 22	Principal
<b>Project work package G</b>			



Portfolio assurance framework data review and recommendations	Accurate data about our PD professionals, their skills and development requirements and current and planned assignments allowing them to be more agile and efficient in delivering our portfolio of change.	30 Mar 22	Managing
<b>Internal Capability Development Outcomes</b>			
Knowledge Transfer (KT) framework applied and robust definition and reporting in place	KT work packages approved by programme leadership team and signed off by internal Defra staff to confirm KT has been fully carried out as defined. KT plan developed in collaboration up front and progress tracked throughout engagement.	30 Mar 22	Director
<b>Social Value Outcomes</b>			
Inform value for money assessment on future funding.	Public funds are spent in value for money and transparent way.	30 Mar 22	Ed Reid

### 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.

Workstream	Role (link to stage/s resource will work on)	Grade	Daily rate	# of days	Cost
Overarching design & assurance	Design & assurance; oversee discovery report	Director	■	■	■
<b>Workstream Lead:</b> Workforce Plan Portfolio & Assurance framework	Discovery report lead Workforce plan development & data assessment	Managing	■	■	■
<b>Workstream Lead:</b>	Resourcing pool function design and delivery;	Principal	■	■	■





Workstream	Role (link to stage/s resource will work on)	Grade	Daily rate	# of days	Cost
Flexible Resourcing Pool	collateral development				
<b>Workstream Lead:</b> Development of CoP; Data analysis from PD profession	CoP design and implementation; Data analysis	Principal	■	■	■
<b>Workstream Lead:</b> Resourcing dashboard and reports development	Dashboard design enhancement and collateral development	Senior	■	■	■
<b>Total</b>					■

<b>Total resource</b> <b>Total days*</b> <b>Engagement Length**</b>  *Total days worked across all resources **Total working days in engagement	■
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#### Business Area's team

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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 £180,526, inclusive of expenses and excluding VAT.

Provide costs for any particular stages to the engagement.

Stage	Cost	Due (link to milestone dates)
<b>Work packages A-G</b>		<b>DD/MM/YY</b>
Discovery report and development of key enabling work streams of the PD Profession strategy; Flexible resourcing model and making better use of data. Additional data analysis of portfolio to enable data stream; design and development of resourcing CoP for PD Profession to engaging with the delivery community to drive better resourcing outcomes.	£180,526	31/03/2022
<b>Expenses</b>		



Stage	Cost	Due (link to milestone dates)
Not applicable except for travel away from London	£0	
<b>Grand total</b>	<b>£180,526</b>	

### 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;
- Monthly knowledge transfer progress reporting

### 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
	Review of delivery progress	Regular review of delivery progress	Monthly		Monthly report from engagement Director	As set out in PID to be drafted and agreed at outset of the engagement

### 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:

Deliverables as set out in detail above with detailed knowledge transfer embedded and evidenced together with exit report on the engagement and recommendations for the future development of the PD Profession strategy.

### 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"> <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>

