

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 #	DgC to provide when initial Request Form received		
Extension?	N	DPEL Ref.	N/A
Business Area	Environment Agency, Major Projects & Programme Delivery		
Programme / Project	Project and Programme Delivery Futures Programme		
Senior Responsible Officer	[REDACTED]		
Supplier	Methods		
Title	Project and Programme Delivery Futures Programme		
Short description	The recently established BEP team was created with a view to transform and innovate within the project delivery space at the Environment Agency. We are acting at pace to stand up the 'Futures Programme' with our delivery partner (Methods). This includes a discovery phase to analyse challenges and opportunities, and the capacity and capability to establish sustainable programme governance and effective delivery. This will be followed by soft launch and piloting potential projects in the Futures Programme.		
Engagement start / end date	23/06/2022	30/09/2022	
Funding source (CDEL/RDEL)	CDEL, via Environment Agency FSoD Form C1 (as advised by the Environment Agency FSoD team)		
Consultancy Spend approval reference	Not required under CDEL, FCRM Programme		
Expected costs 22/23	£97,551.00		
Expected costs 23/24	£90,240 to £180,480 (dependent on 22/23 outcomes)		
Expected costs 24/25	£-		
Dept. PO reference	Dept. PO reference # (to allow for Defra Group recharge)		
Lot #	Lot 3		
Version #	Start at 0.1, 1.0 when approved, increment from 1.0 for Change requests		

Approval of Project Engagement Letter



By signing and returning this cover note, Major Projects & Programme Delivery (Environment Agency) 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 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
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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
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Supplier contact: [REDACTED]

Business Area contact: [REDACTED]

1. Background

Delivery of our major projects and programmes are of a scale and urgency unprecedented. There are significant gaps in our capacity, capability, and tools to pilot, develop, and implement emerging practices and innovation in the project delivery space designed to tackle the nature and climate emergencies.

As the Bespoke & Emerging Projects team (BEP) within Major Projects & Programme Delivery, it is our responsibility to address these gaps. The BEP team was initially setup to:

- draw upon, further develop, and share our experience and expertise in ways that best support project delivery and our own project delivery community.
- pilot, develop, and implement emerging practices and innovation in the project delivery space designed to tackle the nature and climate emergencies
- connect with bespoke project delivery teams during the whole lifecycle of delivery to support integration of emerging practices, including continuous learning and refining approaches to respond to unique challenges.
- collaborate with, influence, and connect with industry leaders, our partners, and the wider project delivery community in ways that best support tackling the nature and climate emergencies.

To meet this challenge and deliver against our objectives, we need support to develop our thinking and approach through discovery. With much of the resource on the BEP team overseeing legacy projects, we do not have the capacity to develop and scope the ideas that will transform how we deliver our projects and programmes at the pace required to address the climate and nature emergencies. We need to utilise the skills and capacity of our Delivery Partner (Methods) to help address this concern.

The discovery exercise will need to engage with our key stakeholders through interviews and workshops in order to evaluate the current challenges and identify opportunities for the future as described above. The key output will be a discovery report that sets out a clear picture of the current challenges and opportunities for the BEP team. This discovery will help inform the creation of the 'Futures Programme'.

The consequence of not investing in this work would significantly limit the opportunities to achieve our Net Zero Carbon ambitions and increase productivity for our major projects and programmes as a whole. It would prevent us from achieving our goal of having a successful, innovative and truly collaborative delivery culture that puts us at the forefront of project and programme delivery across government.

2. Statement of services

Objectives and outcomes to be achieved

Objectives:

- Undertake a discovery exercise to provide an assessment of opportunities for the Bespoke & Emerging Projects team.

- Establish the 'Project and Programme Delivery Futures Programme' to realise the agreed opportunities identified during the discovery.
- Complete a proof of concept pilot for an agreed number of projects through the project initiation phase to validate proportionate governance recommendations.

Outcomes:

- Identify current challenges/ pain points and opportunities for BEP.
- Develop a clear set of consolidated opportunities.
- Identify current capacity and capability for BEP to deliver against opportunities.
- Deliver a Discovery report summarising findings and key themes.
- Prioritise and agree opportunities to take forward.
- Establish which projects from our initial list are not viable, or 'not for now'.
- Understand how and where the BEP programme can connect with bespoke project delivery teams to support integration of emerging practices and innovation.
- Understand who to collaborate with, influence, and connect with across industry leaders, our partners, and the wider project delivery community in delivering the programme.

Scope

Discovery

The engagement will commence with a discovery exercise to provide an assessment of opportunities for the Bespoke & Emerging Projects team :

- Identify and prioritise the opportunities to help establish the 'Project and Programme Delivery Futures Programme'.
- Develop a final report with recommendations and next steps to inform priority activities for BEP.

Through this discovery work we expect our Delivery Partner to support us in establishing a programme of viable projects.

We expect the Discovery methodology to include the following features:

- PID agreed at outset to ensure alignment between expectations and deliverables
- Sprint-based delivery to increase flexibility with appropriate project controls to ensure work stays aligned and to enable escalation where required
- Interviews & Workshops – Structured 1:1 and group activities to explore key lines of enquiry that gather information on the delivery function, pain points and opportunities (both from within BEP and from key stakeholders outside of the team)
- Surveys – allowing for wider reach and differing individual preferences to feedback following the same key lines of enquiry as the interviews and workshops
- Opportunity matrix to capture, consolidate and analyse discovery opportunities
- Understand prioritisation approach to help identify where to start
- Discovery Report pulling together the key themes and Discovery outputs with clear, consolidated recommendations
- Achievable delivery plan and critical supporting activities to deliver it
- Structured and robust knowledge and skills transfer from the Delivery Partner team to the internal programme staff to build capability for long term sustainability of the programme and its strategic objectives.

Establish 'Futures Programme' and Proof of Concept

Following successful completion of the discovery work, we will then require the Delivery Partner to enable a sustainable BEP programme through the establishment of proportionate governance. The core deliverable for this will be a Programme of viable projects (informed by the discovery piece) including a delivery roadmap detailing the content and theme of projects alongside how these will be managed via proportionate governance. Then, to validate this, we require a proof of concept sprint to initiate an agreed number of projects to test the mechanisms controlling the programme are suitable and sustainable.

In addition to this, we need to ensure there is a structured and robust knowledge and skills transfer from the Delivery Partner team to the internal programme staff to build capability for long term sustainability of the programme and its strategic objectives.

Assumptions and dependencies

- The Bespoke & Emerging Projects team will facilitate and enable access for the Delivery Partner team to Environment Agency colleagues as appropriate, to inform discovery and validation activities, and to provide views on current priorities and pain points.
- Access to Environment Agency systems, such as HR, Finance and IT are not required for the Delivery Partner.
- We will work together to set up collaborative online space to share relevant documentation.
- Access to relevant information from Business Change Management workstream.

Risk management

- Capacity in Environment Agency delivery teams to support and engage with the Delivery Partner. The 60 days effort for Discovery is therefore allocated a window, until 30/09/22. This should also allow for the summer period when many are taking annual leave.
- Single Point of Failure within the Bespoke & Emerging Projects team – it is a small team with limited resources. We will agree internal protocols so that the Delivery Partner is not adversely affected by unplanned absences, as far as possible.

Deliverables

This engagement will deliver four core deliverables:

Firstly, a discovery report and opportunity matrix detailing the current challenges, pain points, and opportunities for BEP. This will then inform the establishment of a 'Future Programme' of viable projects and associated governance framework. The delivery partner will then complete a proof of concept pilot to validate control mechanisms are appropriate for the newly established programme. See table below for further detail.



Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Discovery and initiation			
Discovery Report	<ul style="list-style-type: none"> This must provide actionable recommendations for the future development, shaping and embedding of the BEP team within the context of the Major Programmes & Project Delivery team. Report detailing: <ul style="list-style-type: none"> Current experiences of delivering change at Environment Agency What the opportunities to improve this are The discovery should make recommendations to drive the development of the BEP and inform the next stages of work 		
Opportunity matrix	<ul style="list-style-type: none"> Document to capture consolidated catalogue of opportunities and pain points identified during the discovery engagement that offers a structured way to capture and consolidate potential opportunities. 		
Establish 'Future Programme'	<ul style="list-style-type: none"> Development of a delivery roadmap – this must include prioritisation of viable projects, their theme and content, in addition to the proportionate governance needed to control it. 		
Proof of concept sprint for agreed set of projects	<ul style="list-style-type: none"> Sprint delivered to test an agreed number of projects through the project initiation phase to validate governance mechanism is appropriate. 	30/09/22	

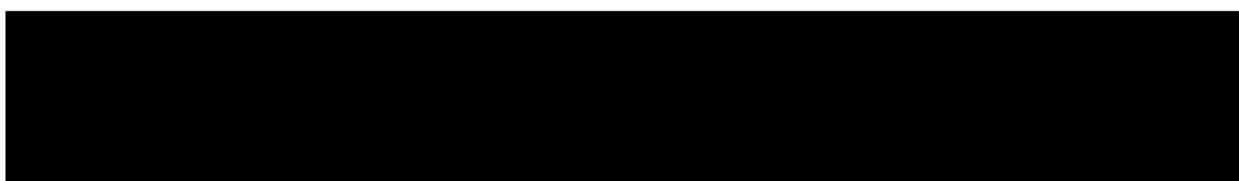
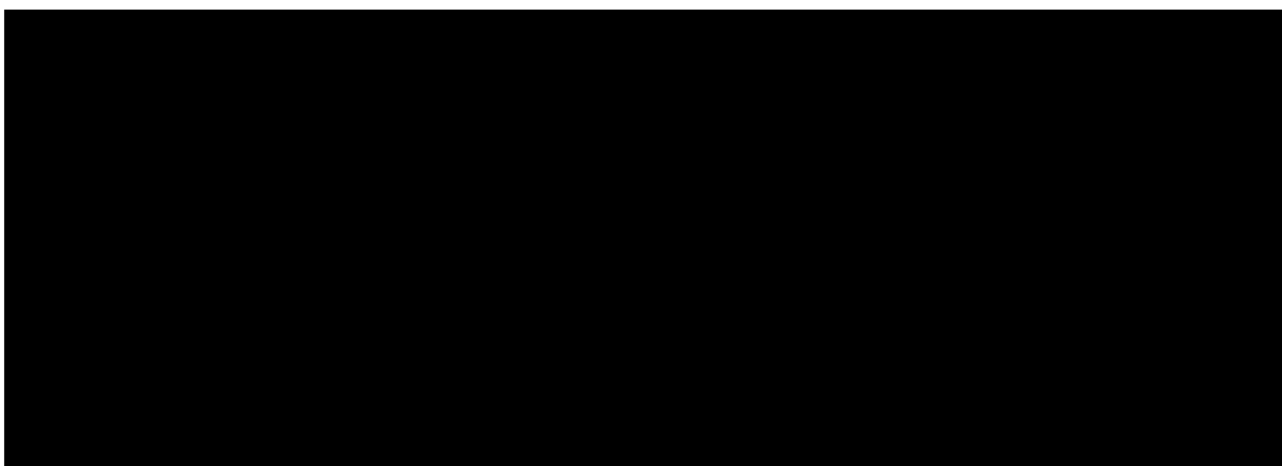
Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
	<ul style="list-style-type: none"> Recommendations made on any amendments required to governance strategy 		
Internal Capability Development Outcomes			
Structured and robust knowledge and skills transfer from the Delivery Partner team to the internal programme staff to build capability for long term sustainability of the programme and its strategic objectives.	<ul style="list-style-type: none"> Bespoke & Emerging Projects are able access documentation and support materials gathered in the discovery phase during the lifecycle of any onward project delivery. Single point of failure in BEP is eliminated. 		

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 DgC.

3. Delivery team



Business Area's team

- **████████ Deputy Director.** Leads Bespoke & Emerging Projects, providing strategic direction and decision making. Senior Responsible Officer.
- **████████ Programme Manager.** Leads the start-up of the new programme we are seeking to initiate through this work. Day to day point of contact at the programme level and progress reports (with ██████).
- **████████ Executive Support.** Leads the business management capability and executive support function within Bespoke & Emerging Projects. Day to day point of contact for contract, coordination with Environment Agency business management, and progress reports (with ██████).
- **████████ Project Support Officer.** Leads on day to day support activities for Bespoke & Emerging Projects.

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 £97,551.00 inclusive of expenses and excluding VAT.

Provide costs for any particular stages to the engagement.

Stage	Cost	Due (link to milestone dates)
A Discovery		DD/MM/YY
<ul style="list-style-type: none"> • Discovery report • Opportunity Matrix • Workshops, interviews and surveys complete 	£ █████	█████
B Establish Future Programme and Proof of Concept		
<ul style="list-style-type: none"> • Establish Future Programme of prioritised viable projects • Proof of concept sprint complete for project initiation phase for an agreed number of projects Any further recommendations based on proof of concept 	£ █████	█████
Sub Total (minus expenses)	£ █████	█████
Expenses		
Up to and not exceeding 10% of contract cost if needed	██████████	████
██████████	██████████	██████████

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 reporting meeting between delivery partner and client

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

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:

Describe what the supplier will produce upon existing the project engagement:
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 BEP.

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:
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	<ul style="list-style-type: none"> ▪ DPEL agreed ▪ DPEL signed: Supplier, Dept and CO ▪ Purchase Order number 	<ul style="list-style-type: none"> ▪ Work can start ▪ Supplier can invoice for work

