

## 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.	DPEL_61541_080
Business Area	Portfolio Office		
Programme / Project	Benefits Management Planning		
Senior Responsible Officer			
Supplier	Methods Business and Digital Technology		
Title	Strategic Benefits Management Planning - Discovery, Engagement & Prioritisation		
Short description	Defra Group-wide benefits management discovery exercise, Engagement & Prioritisation		
Engagement start / end date	Proposed start date 06/06/23	Proposed end date 14/08/2023	
Funding source (CDEL/RDEL)			
Consultancy Spend approval reference			
Expected costs 23/24	£48,632		
Expected costs 24/25	£0		
Dept. PO reference	Dept. PO reference # (to allow for Defra Group recharge)		
Lot #	Lot 3		
Version #	V0.1		

### Approval of Project Engagement Letter

By signing and returning this cover note, Defra 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), 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>	By:  <i>Signature</i>
For and on behalf of Methods  	For and on behalf of Project Delivery Portfolio  	Defra Group Commercial 
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 Group continues to oversee a significant portfolio of change with a great deal of complexity and ambition. To optimise the value delivered from our investments in change across Defra Group, we must oversee a **delivery culture shift towards mature and consistent benefits-led change**, aligned with the [Government Project Delivery Function's 2025 strategy](#), that ensures:

- We stay aligned to strategic goals;
- We improve confidence in the delivery of planned benefits;
- We optimise the value of our delivery, and;
- We make sure change is sustained.

And moves us away from:

- Benefits management as a moment in time, box-ticking exercise;
- Thinly spread benefits and change management capability and best-practice;
- Governance and controls that fail to hold delivery teams to account for benefits realisation.



In addition to underpinning Defra Group's delivery of the Environmental Improvement Plan and Government Project Delivery Function Strategy (2025), benefits management improvements will seek to go beyond IPA and ARAC recommendations. The following strategic objectives have been drafted and testing them should form a key component of engagement activity:

- **Portfolio Decision-Making** – enable better change investment decisions and reduce portfolio risk through greater consistency of practice, reduced double-counting, and a reliable portfolio-level view of benefits.
- **Benefits-Led Change** – position benefits at the forefront of programme delivery through effective engagement and buy-in to the value of effective benefits management across Defra Group.
- **Programme Decision-Making** – establish and embed benefits management practices that ensure Defra Group focuses on doing the right things to drive delivery of programme objectives (the 'why'), shifting from a focus on output delivery (the 'what').
- **Policy and Delivery Alignment** – establish closer alignment and working relationships between policy and delivery teams through shared understanding, language, and tools that leverage the combined value of Benefits Management and Evaluation practice. Create delivery environments that coalesce around a single version of the 'why' that programmes can work towards and share mechanisms that evidence success.

Recent data collection and analysis indicates that **we are not benefits-led in delivering our change portfolio**. Project teams, other portfolio teams, and finance teams outlined significant organisational immaturity in a benefits-led change culture and fulfilment of routine benefits management activities, regular tracking and reporting of benefits, and effectively resourcing benefits management activity.

Our short-term goal is to secure senior-level buy-in and consensus regarding the imperative to enhance benefits management across Defra Group. To do that we must:

- bring existing intelligence together with new analysis.
- engage key stakeholders, gather new perspectives, and better understand the scope and likely impact of existing initiatives.
- consider initiatives that prioritise the delivery of key strategic recommendations (including from the Infrastructure and Projects Authority and Audit and Risk Assurance Committee).
- analyse external best practice/guidance and consider how Defra Group can be positioned well to optimise value through effective benefits management in the future.

## 2. Statement of services

### Objectives and outcomes to be achieved

The key objective for this work, in support of longer-term objectives outlined above, is defined below. It is envisaged that the supplier's delivery team will work closely with the Profession and Business Change Team to jointly deliver outcomes. The outcomes that will support objective delivery are broken out as sub-bullets:

1. **Build consensus among key stakeholders in relation to benefits management development as a priority and buy-in to a strategic development plan**
  - a. Planned and engaged with key senior stakeholders.
  - b. Shared analysis of current benefits management maturity and likely impact.
  - c. Gathered perspectives on benefits management priorities and fed into planning accordingly.



- d. Conducted proportionate, targeted analysis of existing supporting resources and benefits management application that builds upon analysis undertaken to date.
- e. Reviewed relevant priority external best practice, guidance, and strategy to support framing of development priorities.
- f. Established communications materials to generate awareness, buy-in and shared ownership of strategic development plan.
- g. Conducted prioritisation of activity backlog to feed strategic benefits management planning.
- h. Confirm awareness, desire, and commitment from key stakeholders to address benefits management effectiveness through a step change.

## Scope

A 10-week engagement, working closely with the Profession and Business Change Team to establish a foundation for the development and subsequent delivery of a Strategic Benefits Management Plan for Defra Group that underpins longer term objectives.

The short-term objective is to secure senior-level buy-in and consensus regarding the imperative to enhance benefits management across Defra Group. All activity should be conducted collaboratively, drawing upon internal expertise and extensive work to date. The proposed scope of work includes four key components:

- **Internal Analysis** - conducting a targeted discovery exercise to assess existing tools, artefacts, governance, processes, maturity, culture, and application in relation to benefits management that builds upon existing analysis undertaken internally to date.
- **Engagement** - engaging with key Defra Group senior stakeholders to understand benefits management perspectives, taking on board priorities and ensuring compatibility with known existing initiatives.
- **External Analysis** - analysis of external best practice and government strategy (*IPA, Government Project Delivery Function 2025 strategy, Project Delivery Government Functional Standard, etc.*) to determine impact on benefits management development planning.
- **Prioritisation** – building upon each of the previous components, surfacing the backlog of activities in scope of benefits management planning that will support the delivery of longer-term objectives. Structured and consistent prioritisation of activities to feed into the formation of the Strategic Benefits Management Plan.

Undertaking these activities will lay the groundwork for a robust Strategic Benefits Management Plan that has organisational buy-in and drives greater long-term value from Defra's change portfolio.

## Assumptions and dependencies

### Assumptions

- There will be a joint partnership approach between the Profession and Business Change Team and Methods throughout delivery which seeks to build on existing work to refine understanding and drive planning input constructively.

- Collectively, the Profession and Business Change Team and Methods will have access to key stakeholders who will engage meaningfully and promptly to provide information to support the outcomes.
- Collectively, the Profession and Business Change Team and Methods will have access to all key data sources as may be required to support the development of the deliverables and assess progress against the outcomes.
- That clear guidance on required formats for product delivery will be provided as appropriate.
- Collectively, the Profession and Business Change Team and Methods will have access to the appropriate access to IT systems as may be required for the purposes of extracting relevant information, storing, and managing working documents and for any other legitimate purpose as may be necessary for the length of the contract.
- That all relevant stakeholders will be available as necessary for the purposes of knowledge transfer and the transfer of responsibilities, and that key topics of interest will be identified and communicated to the delivery team for this purpose.
- That there will be a formal review of the DPEL at the half-way point to assess progress and provide critical input to shaping suitable delivery outputs.

#### Dependencies

- Leadership is aligned in approach and thinking, works in a constructive manner to support delivery as a whole.
- A joint, partnership approach between the Profession and Business Change Team and Methods.

#### Risk management

Risks to be considered during this engagement:

- Engagement and buy-in from key stakeholders to the importance of benefits management in the context of wider delivery challenges.
- Appetite for closer ties between policy and delivery specifically in relation to benefits management and evaluation/monitoring.

A Service Delivery level risk register will be produced as part of the SDD which will be shared with DEFRA so that all identified risks can be mitigated/managed appropriately.

#### Deliverables

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
<b>Production of Work Package Management Documentation</b>			
Service Definition Document (SDD)	- Document reviewed and signed off by SRO (or delegate), confirming that the defined service meets projects requirements, is aligned with and supports the DPEL outcomes.		Delivery Manager Assurance Lead



Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
<b>Discovery, Engagement &amp; Prioritisation Deliverables</b>			
Engagement plan, evidence & feedback	<ul style="list-style-type: none"> <li>- Defines the approach and scope of engagement with Defra stakeholders.</li> <li>- Explores appetite for closer alignment between related disciplines e.g. benefits management and monitoring/evaluation in policy teams.</li> <li>- Extracts key messaging and themes from stakeholders to feed into planning</li> <li>- Reengages as necessary to share benefits management maturity insights to foster buy-in to strategic benefits management planning</li> </ul>	<p>Engagement Plan - 13/06/23</p> <p>Engagement evidence and feedback collected iteratively and fed into remaining deliverables.</p>	<p>Benefits Mgmt Lead</p> <p>Benefits Mgmt Analyst</p>
Benefits Management Strategic Development Report	<ul style="list-style-type: none"> <li>- Synthesis existing and new analysis, producing a series of proportionate benefits management recommendations.</li> <li>- Feeds the improvement backlog</li> <li>- Outlines opportunities to align benefits management enhancement in the context of wider Defra delivery e.g. alignment with policy evaluation and monitoring disciplines.</li> <li>- Gathers intelligence and outlines requirements to meet external best practice guidance and/or relevant future government strategy</li> </ul>	<p>Draft with emerging findings, themes &amp; rec's 07/07/23</p>	<p>Benefits Mgmt Lead</p> <p>Benefits Mgmt Analyst</p>
Prioritised benefits management improvement backlog	<ul style="list-style-type: none"> <li>- Extracts opportunities from stakeholder engagement and analysis</li> <li>- Prioritises activity consistently and appropriately.</li> <li>- Establishes the basis for a strategic benefits management plan.</li> </ul>	<p>Produced hand-in-hand with Draft Strategic Benefits Management Plan 04/08/23</p>	<p>Benefits Mgmt Lead</p> <p>Benefits Mgmt Analyst</p>
Draft Strategic Benefits Management Plan	<ul style="list-style-type: none"> <li>- Clearly articulates organisational objectives linked to investment in benefits management capability, resource, and practice.</li> <li>- Time-bound outline of the activities necessary to meet stated organisational objectives with ownership.</li> </ul>	<p>Produced hand-in-hand with prioritised backlog 04/08/23</p>	<p>Benefits Mgmt Lead</p> <p>Benefits Mgmt Analyst</p>
Communications Artefacts	<ul style="list-style-type: none"> <li>- Considers audiences for messaging in relation to benefits management planning.</li> </ul>	<p>Iterative development throughout</p>	<p>Benefits Mgmt Lead</p>

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
	<ul style="list-style-type: none"> <li>- Plans and creates relevant, high-quality communications materials that meet their purpose</li> <li>- Shares communications outputs with the relevant stakeholders to deploy as required.</li> </ul>	assignment period as required. Final comms messages and artefacts at conclusion 14/08/23	Benefits Mgmt Analyst

### Limitations on scope and change control

Unless instructions to the Supplier are later amended in writing and approved by change control, the work undertaken will be restricted to that set out above. In providing the services detailed above, the Supplier will be reliant 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

The SDD will provide further detail of each of the services to be provided.

Service	Role	# of days	Daily rate	Cost
<b>TOTAL COST</b>				<b>£48,632</b>

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



This work will be delivered jointly in partnership with the Profession and Business Change Team.

#### 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 **£48,632**, inclusive of expenses and excluding VAT.

Stage	Cost	Due (link to milestone dates)
<b>Checkpoint Review</b>		<b>DD/MM/YY</b>
Progress against the outcomes and deliverables as set out in this DPEL.	£24,316	10/07/2023
<b>Assignment Completion</b>		
Completion of all deliverables and successful outcomes as set out in this DPEL	£24,316	14/08/2023
<b>Expenses</b>		
Where travel outside London (or agree base location) is required, further Purchase Order cover will be agreed to reimburse at the conclusion of the work, in line with Defra expense policy.	-	-
<b>Grand total</b>	<b>£48,632</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

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;
- The business area, through the principal contact, will work closely and will require a minimum weekly progress report. All new risks to delivery should be reported immediately or as soon practicable

#### 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
Delivery Performance	Delivery Review	Progress review against deliverables	Monthly	SRO	<i>Report by Methods</i>	Delivery within 15% tolerance

### 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.

It is expected that this work will be undertaken under the NDA as part of the Defra Consulting Framework. Any additional NDA agreements will need to be assessed and agreed separately.

## 6. Exit management

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

#### Knowledge Transfer:

Specific transfer outcomes will be tracked through regular reporting and evaluated through a review of completed knowledge transfer logs and reports, including sign off from individual knowledge recipients

The skills and expertise transferred back to the internal Defra team will help improve efficiency and effectiveness, and provide a framework to deliver future strategic projects

The supplier will provide: All documents, reports, excel files, presentations

The supplier will delete: any commercially information that is not required to be kept

The supplier will prepare a handover note of any outstanding issues

### 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>



