

Defra Group Management Consultancy Framework: Project Engagement Letter

Completed forms and any queries should be directed to Defra Group Commercial at consultancy2@defra.gov.uk

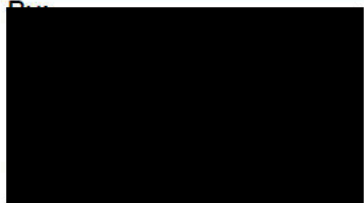
Engagement details					
Engagement ref #	[61547-33524]				
Extension?	No	DPEL Ref.	61547		
Business Area	Natural England				
Programme/ Project	Spending Review 2021				
Senior Responsible Officer	[REDACTED]				
Supplier	Deloitte LLP ("Deloitte")				
Title	Support for Spending Review 2021				
Short description	Provision of specialist/ finance support to Customer for Spending Review 2021, including with regard to: • Shaping the Natural England SR21 bid; • Providing business case support; • Providing advice and guidance on negotiations with HM Treasury ("HMT"); and • Supporting stakeholder engagement with Defra.				
Engagement start / end date	16 th July 2021	[REDACTED] – 8 th October 2021			
Funding source	[REDACTED]				
Expected costs 21/22	£93,050				
Expected costs 22/23	£n/a				
Expected costs 23/24	£n/a				
Dept. PO reference	[To be completed]				
Lot #	Lot 1				
Version #	0.1				

Approval of Project Engagement Letter



Department
for Environment
Food & Rural Affairs

By signing and returning this cover note, the Business Area and Customer 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 provisions of the Framework Agreement for the provision of Strategic Consultancy Services (RM6008) dated 04 September 2018 and the Call Off Contract with Commencement Date 26 May 2021 between Defra Group and Deloitte LLP (Lot 1), with Defra Group and confirms the availability of funding to support recharge for the Services. This Project Engagement Letter is issued in accordance with and incorporates the terms of the above Call Off Contract.

Signatures		
Supplier	Business Area	Defra Group Commercial
		
or and on behalf of Deloitte 	For and on behalf of Natural England 	Defra Group Commercial 
16 July 2021	29/7/2021	[26/07/2021]
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: 

1. Background

Spending Review 2021 is due to be announced, and the Customer has requested support in both preparing for and developing the Natural England Spending Review submission.

2. Statement of Services

Objectives and outcomes to be achieved

The Deloitte delivery team will work alongside the Customer's Spending Review leads and finance team to support development of the strongest possible Natural England Spending Review case for submission to Defra.

The Natural England Spending Review submission will need to set out a clear, compelling case for the required business as usual and investment funding across the Spending Review term – including the strategic narrative, financial case, and clear articulation of benefits and outcomes.

The Customer is responsible for determining that the scope of the Services is appropriate for its needs. All implied terms and warranties are excluded. Deloitte makes no warranty as to the fitness of the Services or Deliverables for any particular purpose.

The Services are provided for the benefit of the Customer and the Business Area.

Scope

The Deloitte delivery team will work flexibly, supporting a range of areas as required, within the agreed resource days. Focus areas will be agreed with Spending Review Leads and the Project Senior Responsible Owner ("SRO") as far as possible upfront, and thereafter on an ongoing basis. It is anticipated however that support areas will include:

- Shaping the SR21 bid;
- Providing business case support, including support to develop evidence underpinning the economic case;
- Providing advice and guidance on negotiations with HMT; and
- Supporting stakeholder engagement with Defra.

In providing this support it is expected that the Deloitte delivery team will deliver a range of activities, including information review, financial analysis, stakeholder engagement, workshop preparation and facilitation, drafting of narrative and completion of templates.

Deloitte delivery team may support the Customer in preparing its response to Defra and HMT queries.

All Services will be carried out with reasonable care, skill and diligence in accordance with good industry practice in the Supplier's industry, profession or trade.

Assumptions and dependencies

Spreadsheet and computer modelling

In the course of providing the Services, the Supplier may make reference to Customer Models or Deloitte Models. The Customer acknowledges that all models have limits and may not produce valid results for all possible combinations of input data; errors and potential errors may go unnoticed.

- (i) Deloitte will not be responsible for reviewing, testing or detecting any errors in any of Customer Models; and
- (ii) Deloitte will not provide the Customer with a copy of any Deloitte Models for Customer use.



In some cases, it may be expedient for the Supplier to provide the Customer (for its convenience) with a copy of one or more Deloitte Models by way of explanation or illustration of the Services. Where the Supplier does so, any such Deloitte Models will have been developed solely for the Supplier's internal use and incidental to the provision of any Services and will not constitute a deliverable. Accordingly, the Supplier makes no representation, warranty or undertaking (express or implied) in relation to and takes no responsibility for the accuracy, suitability, adequacy, completeness or reasonableness of any Deloitte Models for Customer use.

Processing Data

The Customer will not supply the Supplier with any Personal Data unless otherwise agreed in writing between the Parties.

Other

1. 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.
2. 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).
3. The Supplier will render their Services remotely for the majority of time, but there may be occasional requirement to visit the Natural England offices if agreed between the Parties.
4. The Customer will obtain appropriate legal, technical or other specialist advice (including financial advice that is not in scope).
5. Any timetable will be dependent on the parties fulfilling their respective responsibilities
6. The Customer will be responsible for compliance with relevant data protection laws

Deliverables

The Deliverables, to be produced within the agreed resource days, will be agreed with Spending Review Leads and the Project Senior Responsible Owner ("SRO") as far as possible upfront, and thereafter on an ongoing basis. The Deliverables will be prepared by a combination of Supplier Personnel working jointly with Customer personnel and they will not be Deloitte branded. Specifically:

1. Deloitte will support Customer leads in the development of outputs and interim Spending Review documents for review and iteration throughout the project to enable Natural England decision-making.
2. The Deloitte delivery team will support the Customer leads / Business Area team in the development of the Spending Review submission to Defra, including the population of narrative, financial and other templates

Assumptions

- Customer leads will however retain overall responsibility for the Spending Review submission.
- The Customer will remain solely responsible for all of the decisions, assessments, conclusions, and judgments underlying them
- There will not be any Project Specific IPR being created as part of this project and any and all enhancements and/or modifications to the Supplier's background IPR will be retained as Supplier Background IPR.
- In providing the Services, the Supplier expects to discuss ideas with the Customer and to show the Customer drafts of the Deliverables which will be superseded by the final Deliverables. Therefore, in line with good industry practice, the Customer will not rely on any drafts or oral comments or advice unless its content has been finalised and confirmed with as a final Deliverable.
- In line with good industry practice, the Supplier's Services will be performed for the sole benefit of the Customer and the Business Area and should only be used for the purpose described in the Project Engagement Letter. Except as otherwise expressly agreed, no one

other than the Customer may rely on the Deliverables and/or information derived from them and the Supplier accepts no responsibility to anyone else to whom the Deliverables are shown or into whose hands they may come.

- The Supplier has no responsibility to update any Deliverable for events occurring after completion of this Project Engagement Letter nor to monitor its continuing relevance or suitability for the Customer's purposes.

Deliverable	Success Criteria	Milestone / Date	Owner (who in the delivery team?)
Project Stage A			
N/A			
Internal Capability Development Outcomes			
N/A			
Social Value Outcomes			
N/A			

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 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.

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 its 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.

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.

3. Delivery team

Name	Role (link to stage/s resource will work on)	Grade	Daily rate	# of days	Cost
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Total resource Total days* Engagement Length**	[REDACTED] [REDACTED] [REDACTED]
*Total days worked across all resources **Total working days in engagement	

Business Area's team

The staff allocated to support the Supplier team are:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

Assumptions and dependencies

1. The Customer's team will lead the Spending Review, including planning, management and coordination of bid inputs and submission to Defra, with support and input from the Supplier delivery team in specific areas as outlined in Section 2.
2. The Customer will provide access to appropriate technical resources and documentation to assist in providing the Services. Specifically, the Customer will share information including but not limited to Natural England programmes to ensure the Supplier team can understand Natural England priorities.
3. The Customer will provide all data, documentation, process expertise and empowered decision-making personnel to support the Services.
4. It is the Customer's responsibility to cleanse any data prior to sending to the Supplier.
5. The Customer's resources with the appropriate skills set and requisite availability will be used to resource the project. These resources will appropriately represent the geographic, business unit and functional splits impacted by the project where practicable.
6. Relevant stakeholders/leaders and suitably skilled staff will be available during the project for regular meetings and engagement with the project.



7. The Customer will be solely responsible for obtaining any legal or regulatory approvals relating to the Services. The Supplier will not be responsible for any delays resulting from delays in obtaining such approvals.
8. The Customer will determine the adequacy of its internal accounting controls and financial reporting systems without relying on the Services or the Supplier's Deliverables as the primary basis for making such a determination.
9. The Customer 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.
10. Where needed to assist the Supplier in performing the Services, the Customer will (i) take decisions and obtain management approvals promptly; (ii) give the Supplier full and prompt access to the Customer's resources, people and premises and those of its affiliates and other advisors associated with the Services, together with all necessary administrative support; (iii) obtain any approvals, licences and security clearances promptly (including any relating to third parties, the Supplier's Personnel); and (iv) keep the Supplier promptly informed of any proposals or developments in its business relevant to the Services.

4. Fees

Defra will reimburse the Supplier for **Services rendered** according to the table below. The total fees for the scope of **Services** detailed in this **Project Engagement Letter** will be £93,050, inclusive of expenses and excluding VAT.

In accordance with clause 7.2 of the Call Off Contract, the Supplier's total aggregate liability in relation to any Defaults occurring under this Project Engagement Letter to the Customer and Business Area is the sum equal to one hundred and twenty-five per cent (125%) of the total value of the fees, being £93,050, which shall be apportioned between the Customer and Business Area.

Provide costs for any particular stages to the engagement.

Stage	Cost	Due (link to milestone dates)
A		DD/MM/YY
N/A		
B (additional stages can be added)		
N/A		
Expenses		
N/A		
Grand total	£93,050	

Expenses statement

The **Call Off Contract** rates include expenses for any travel to/from any UK location defined by the Business Area as the base office for the work. **For purposes of this Project Engagement Letter the base location will be London.** 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 will pay all sums within thirty (30) days.

Defra 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
- Fortnightly highlight report, outlining agreed focus areas, activities delivered, days, future activities and risks

Key Performance Indicators

Business Area and Supplier to agree any specific key performance indicators related to this specific project engagement. N/A

KPI	KPI Requirement	Description	Reporting Frequency	Who Measures	Method of Measurement	Performance Target
N/A						

Feedback and satisfaction

Defra 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

N/A

6. Exit management

The agreed actions and Deliverables by the Supplier for when the Project Engagement Letter ends are as follows:

Not applicable

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.

Where the Customer terminates this Project Engagement Letter, Charges incurred up to the date of termination of this Project Engagement Letter for any reason.

DRAFT



Guidance notes:

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



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