



Department
for Environment
Food & Rural Affairs

Defra Group Management Consultancy Call off Contract: Defra Project Engagement Letter (DPEL)

Project Delivery Partner (Lot 3)

Completed forms and any queries should be directed to Defra Group Commercial (DgC) at [REDACTED]. Please do not complete this form until you have liaised with DgC, and they have allocated you a lot to access consultancy services including a DPEL reference number.

Engagement details		
DPEL Reference Number	DPEL_61541_146	
Local Client Reference	N/A	
Extension?	N	
Business Area	Environment Agency: FCRM	
Programme / Project	DADI: Digitising Existing Information- Change Management Support	
Senior Responsible Officer	[REDACTED]	
Supplier	Methods Business & Digital Technology	
Title	Business Change Management for the Digitising Existing Information Project	
Short description	Provision of Change Management support and guidance into the DEI project during its OBC stage, leading sessions and creating key planning artefacts and plans	
Engagement start / end date	Proposed start date 06/05/2025	Proposed end date 05/09/2025
If an extension	N	
Expected costs 23/24		
Expected costs 24/25		
Expected costs 25/26	£ 59,738	
Base location	Remote	
Version #	V0.2	
Version Date	07/04/2025	



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 Business and Digital Technology to provide the services in accordance with the agreed Supplier Proposal under the overarching contract (Lot 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

Signature and timestamp to be added through electronic signature.

Supplier contact: [Redacted]
Business Area contact: [Redacted]

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.

The Engagement will be a fully contracted out service therefore the off-payroll legislation will not apply. A true service will have the following characteristics:

- Delivery is fully outsourced to the supplier, who will have full responsibility for delivering the outcome and the risk of non-delivery sits with the supplier.
- The team is not embedded within your organisation but is engaged, directed, and controlled entirely by the supplier.

It is your responsibility to determine whether your Engagement represents a supply of an outsourced managed service or a supply of resource. The reality of working arrangements should be considered and not just contractual terms.



1. Background

The Environment Agency is responsible for the management and maintenance of a broad portfolio of infrastructure assets. These assets are critical to national flood prevention and waterways navigation. The digitising Data and Asset Information programme seeks to improve the agency's ability to collect and exploit the information it collects to better protect homes and the environment from incidents, while improving its capabilities as a digitally focused agency.

The DEI project pertains to the process of converting physical or analogue data into a digital format. This can include a variety of media types such as paper documents, CAD drawings, typed or handwritten notes. Work to date has outlined both the challenges that are presented from the present states limitations on file retrieval, as well as options work to understand what approaches to digitisation pragmatically fit the EA's needs.

The project is now involved in building out its Outline Business Case. In order to prepare itself for passing this stage gate and align for future project success, the EA requires the support of change management expertise to help develop and a robust change management strategy, focusing on mitigating identified resistances, success measures, aligning business case development, and supporting the creation of a costed and structured business change implementation plan that aligns with the overall project objectives and benefit realisation plans.

This work will require close engagement and collaboration with identified stakeholder groups, of which there has been notable engagement to date, but which will require maturation and interaction in both focus groups and the performance of Impact assessment activities.

2. Statement of services

Objectives and outcomes to be achieved

Methods will support the DEI project to begin work on process and behavioural change across the affected user population identified in a previous project, as work is done within SFM to bring in a technical solution supplier. The Methods Business Change and Transformation team will employ a collaborative approach, working closely with the EA project team and stakeholders. The engagement will include workshops, meetings, and regular check-ins to ensure alignment and progress against the plan and outlined deliverables.

This work is proposed as an 18 week piece of work

Objectives:

1. To utilise the previously developed stakeholder materials to mature, work with stakeholder groups in the delivery of change and communications activities to support the DEI project.
2. To provide close support to the DEI project team to identify enabling change activities to assist with progression through Business Case stage gates.
3. To review the Business Analyst team's gap analysis work and collateral to provide change related recommendations into the project.



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4. Work alongside the project team in reviewing options work, identifying opportunities to refine and understand the veracity of the chosen option combination.
5. Running of Change Impact Assessments with stakeholder representatives in order to feed back to the project and its forward planning key risks, concerns, and activities to be considered and acted upon.
6. Development of change management strategy collateral covering areas of resistance, measurement, governance and methodology.
7. Providing the DEI project with a scoped business change implementation plan, covering areas of resistance, monitoring, communications and resistance management.

Scope

In Scope

- Lead engagement with relevant stakeholders and ensure this work is professionally planned and executed, and that change management principles are applied.
- Review of to date work on DEI options and gap analysis, providing guidance and recommendation into project team and related plans to ensure change elements are considered, scoped and accounted for.
- Identify where and why there may be resistance to change and advise strategies to tackle this.
- Working alongside project team members and senior users in identifying and scoping key change management activities to be included within the plan.
- To provide support to the project management and other project figures in aligning to and agreeing on change management methodologies.
- Support the facilitation of workshops and meetings with stakeholders to gather feedback and formulate activities to address areas of concern.
- Monitor and report on engagement activities, ensuring alignment with project objectives.
- Developing of key change artefacts with feedthrough from the project leads.
- Running of Impact Assessment sessions to identify risks, concerns and activities to inform the future activity of the DEI project.
- Development of Change Management Strategy and Plans, devising segmented sequencing for the project to have tranches of change management activity tailored to the DEI project goals.
- Interfacing with, but not working to, other DADI programme projects, to ensure a balance and cohesiveness between messaging across the programme where possible.
- Capture of and ideation on change measures and KPIs to situate the DEI project for future reporting requirements and monitoring.

Out of Scope

- Process mapping activities and documentation will be created by in place Business Analysis resources on the DEI project.
- DEI project support may interface with wider DADI programme teams and projects to liaise and align, but these other projects will be responsible for the creation of their own communication and change collateral and activities.
- Communication support to end users is not expected to be included within the work of this engagement.
- Benefits management activities will not be performed as part of the scope of this engagement. Some of the materials identified by this work will feed into benefit development and realisation efforts performed by other DEI project team members.



Assumptions and Dependencies

- All PPM service delivery will be aligned with central Defra portfolio directorate standards and EA FCRM expectations and approaches where defined and appropriate.
- Methods staff will have access to key stakeholders who are required to deliver the work, who will engage meaningfully and promptly to provide information to support the outcomes. Including to but not limited to Portfolio Manager, Programme Manager and Outcome Delivery Board owner, and alignment of implementation tasks into operation and maintenance team type plans.
- Relevant stakeholders will engage in pre and post workshop self-assessments.
- All relevant stakeholders will be available as necessary for the purposes of knowledge transfer and the transfer of responsibilities and key topics of interest will be identified and communicated to the Methods team for this purpose.
- It is assumed that a client member of staff will be available after 18 weeks to allow knowledge transfer,
- Leadership across the programme is aligned in approach and thinking, working in a constructive manner to support the engagements.
- Methods staff will have access to all key required data sources to conduct desk-based reviews within the required time so not to impact Methods' delivery windows.
- Agreed formats for product delivery will be agreed upfront prior to creation.
- Methods staff will be given appropriate access to IT systems as may be required for the purpose of extracting relevant information to support delivery of the outcomes for the duration of the contract.
- Any significant changes to the agreed scope will require a Change Control Notice (CCN)
- Further details on assumptions and dependencies will be included in the Service Definition Document.
- The project has a Business Process Analyst & Solution Architect already on the team who can conduct process mapping as required.
- The project has a detailed stakeholder register and has carried out interest/influence analysis.
- Methods engagement team and the project team will liaise regularly to ensure alignment on success criteria of deliverables, as some deliverables may not be able to be completed without the extension period.
- The successful recommendation of activity and creation of a business change implementation plan are incumbent on the completion or progression of option analysis workstreams owned by other teams within the DEI project.
- That the work within the DEI Programme is aligned in intent and has clear distinctions from other DADI programme work, and that there is not significant need to resolve scope concerns.
- That the stakeholder profiling and engagement collateral already in place within the project is in a robust position and is not expected to require substantial additional efforts to mature for use by the change management team.

Risk management

Two layers of risk management shall be considered during this engagement:

- Risk to the service provided by Methods to the Client. These risks shall be recorded and mitigated by Methods staff and communicated to the named Point of Contact either through the regular governance structure or on an ad-hoc basis should a critical risk be raised.



- Risk to the projects which the Methods team are supporting the Client to deliver will be managed through project-level risk processes via the Project Manager. Mitigations will be jointly developed.
- A Methods Service Delivery level risk register will be produced as part of the SDD which will be shared with DADI so that all identified risks can be mitigated/managed appropriately.

3. Deliverables

Project Delivery

Deliverable	Date	Success Criteria	Linked outcome
Service Definition Document (SDD)	2 weeks from project kick-off	Document reviewed and signed off by SRO (or delegate), confirming that the defined service meets Programme requirements and timescales, and is aligned with and supports the DPEL outcomes.	All
Extant Gap Analysis Review	23/05/2025	Onboarding and grounding activities to review BA work done on gap analysis, providing change lens recommendations to the DEI project team.	1, 3
Business Case Support in relation to change components of 5 case model	Ongoing up to 05/09/2025	Continued and at request support to the DEI project on business case stage gates, providing recommendations fed in from review of materials and outputs from other deliverable streams.	2,4,3
Change Management Strategy	18/07/2025	Development of a Change Management Strategy for the DEI project, basing off of best practice approaches, and covering key areas such as resistance, governance, and success measures.	6
Change Impact Assessment	20/06/2025	Perform change impact assessments with identified end user stakeholders to understand the likely result of the considered options for digitisation of asset file information.	5,7
Business change Implementation Plan	05/09/2025	Development of a business change implementation plan, aligned to the change management strategy, informed by outputs from stakeholder engagements and Change Impact Assessment sessions.	2,7

Internal Capability Development Outcomes

Deliverable	Date	Support on content	Linked outcome
Business Change Knowledge Transfer	Iteratively reviewed at points in service delivery period- completed by 05/09/2025	Knowledge transfer needs to be identified, monitored, and planned for throughout delivery period. Evidence of growing capability systematically and proportionately in line with Programme	1,2,7



		needs and specifically related to associated tools and information.	
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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 consultation with DgC and subsequent relevant approvals.

4. Delivery management

Supplier Delivery Team

The outcomes-based nature of consultancy services provided through Lot 3 (Ref 28595) dictates that the Supplier retains responsibility and authority to provide the delivery team required to meet the contracted outcomes. The Business Area team should manage any performance concerns directly with the Supplier Team in the first instance with escalation, where necessary, through Defra Group Commercial.

The actual resources used in the delivery may be greater or less than that on which the price is based as the work is undertaken at the Supplier's risk. Should factors materialise that impact successful delivery, through factors outside the Supplier's control that warrant an alteration to time or cost, a change control will be made to this document as well as to the Service Definition Document (SDD).

The SDD is the first standard deliverable used to manage the project and provides the delivery team structure alongside more detail on governance, plan and success criteria.

Business Area's Team

No members of the current team will be directly allocated to support delivery. Candidates for knowledge transfer will be identified on an ongoing basis as appropriate.



5. 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 £59,738, exclusive of expenses and excluding VAT.

This total represents the agreed fixed price of the Supplier for the successful delivery of the contracted outcomes. The fees are based on the expected delivery team using the set framework rates. DgC review the resources and rates as part of commercial due diligence and sign-off.

Stage	Due (link to milestone dates)	Cost
Milestone Payment #1 - Agreed progress towards deliverable stages as stated in DPEL and managed by review of the Service Delivery Document.		
Milestone Payment #2 - Agreed progress towards deliverable stages as stated in DPEL and managed by review of the Service Delivery Document.		
		Total: £59,738
A provision of up to 10% of the total value of the project resource cost has been included. This expense provision covers travel, accommodation, and subsistence to non-base locations, in line with the Client Department's Travel and Subsistence policy. Note: Expenses to the base location as determined for each individual assignment should be included in the rates. Expenses to other locations will be paid in line with the Client Departments Travel and Subsistence policy and must be approved in advance.		
Grand total		£59,738



Payment

The Supplier should invoice at project stage milestones set out in section 4. Defra Group will reimburse fees on confirmation of approval of work delivered by the Business Area.

6. Governance and reporting

Business Area to outline governance and report requirements relevant to the Engagement through Key Performance Indicators below:

Key Performance Indicators

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

KPI	Description	Reporting Frequency	Who Measures	Method of Measurement	Performance Target
#1	All project artefacts are up to date for in scope projects, specifically including RAID logs, project plans and board reporting.	Monthly	Delivery team	Routine reporting	100% up to date and accurate

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 must be completed as part of the Engagement sign-off. DgC will contact the Business Area to arrange this and share the feedback with the supplier on a bi-monthly basis.

Non-disclosure agreements

The overarching MCF2 framework includes NDAs.

7. Exit management

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

Handover of all operational Project and Programme documentation and data held in Project Portal. Plus, effective knowledge transfer to Defra staff including Project handover briefs – written and oral.

Notice period

The nature of these engagements requires 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.

Supplier Engagement Process

- 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 £120k or DgC Corporate Services Delivery Board if under £120k.
- 2. If over £120k the Spend Control Form must be completed by Business Area and submitted to DgC at:
[REDACTED]
- 3. 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.
- 4. A Project Engagement Letter is completed by the Business Area with input from the Supplier (with supporting proposals as appropriate) and support from DgC and then finally agreed between the two parties, including evidence of all required approvals either being in place or being progressed. Approval states are:

Approval state	Definition	Permissions
Full approval	<ul style="list-style-type: none">▪ DPEL agreed▪ DPEL signed: Supplier, Dept and DgC▪ Purchase Order number	<ul style="list-style-type: none">▪ Work can start▪ Supplier can invoice for work