



Key elements of consultancy contracts

Some consultants use standard contracts, others use a letter of agreement confirming terms and referring to other proposal papers or correspondence on file. Whatever form of contract is used, the following points should always be included:

- statement of the aims of the consultancy
- specification of the precise services to be provided
- names of the consultants and others to be involved, with their roles and responsibilities
- definition of start and finish or contact (could be by dates, or expiry of specific number of consultancy days)
- cancellation clause; mechanism for cancellation and notice required
- what the consultant expects the client to provide
- information on how and when the consultants (and, if relevant, subcontractors) are to be paid. Definition of basis for charging - day rate, hourly rate, retainer or fee for completion of defined task. Definition of expenses, how they are charged, and estimated budget. Avoid "performance bonuses", commission or sliding scales.
- statement of ownership of property such as lists, creative work, copyrights, fundraising materials, and, if relevant, logos, slogans or intellectual property
- both parties should sign and keep copies

Contracts normally also include a confidentiality clause and many now set out responsibility on both parties to comply with Data Protection legislation.