



Whitepaper 'Example contractual clauses'

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Version: 24 February 2017

The UK government provided guidance for many years that was a distillation of actual practices used by departments to manage contracts and which was culled from experienced procurement managers. Below is a generic list of the possible clauses needed in a contract made with a supplier of application software development services. Every enterprise will have specific clauses and this list should be used as guidance and not as a definitive document.

1. Service/system development and service supply

Drawing up contracts for information services is an activity in the domain of Business Information Management (BIM). Of course BIM expertise is not the same as procurement expertise and in most enterprises, procurement will lead the agreement of contracts. However, where business information is the subject of the applications being developed it will be important for professionals working in the BIM domain to take an active part in ensuring the contract meets business need and provides value.

Possible Clauses

- Interpretations
- Supply of the Services
- Implementation Plan
- Inspection of Premises
- Trialing
- Service Levels and penalty clauses
- Term of the agreement or contract
- Charges
- Risk Allocation
- Licenses to Use Software
- Warranties and Representations
- Limitation of Liability
- Intellectual Property Rights Indemnity
- Confidentiality
- Impact of Legislative Change
- Termination

- Security
- Consequences of Termination or Expiry
- Compliance of Services
- Audit Access
- Loss of Data
- Furnished Items
- Authority Premises
- Provision of Information
- Health and Safety Hazards
- Protection of Personal Data
- Publicity
- Guidance regarding Gifts and Payments of Commission
- Contractor Personnel
- Racial Discrimination
- Force Majeure
- Contingency Events
- Transfer and Subcontracting
- Agreement Management
- Amendments to this Agreement
- Communications
- Severability
- Waiver
- Dispute Resolution Procedure
- Law and Jurisdiction
- Entire Agreement
- Quality acceptance criteria

Additional/or possible Alternative Clauses

- Liquidated Damages
- Security Measures
- Access to Sensitive Sites
- Official Secrets Acts, Patriots Acts, other National acts
- Break Options
- Change Control
- European Compliance
- Amendments to the Agreement

2. Change control principles and procedures

Change control should not mean that it is a roadblock, it should facilitate needed business change and certain types of change can and should be fast tracked. This section provides some generic information for BIM practitioners. Where services have been commissioned from an external supplier, it is crucial to understand the implications of a change.

Remember that this is guidance; ensure any contract that you negotiate or assist procurement with negotiating will be specific to your enterprise. And remember that BIM has the responsibility to ensure contracts reflect business information need and value and you are there to provide support to your users to ensure they get what they need, they value and what they are paying for!