# THE IN-HOUSE TRAINING COMPANY

# Contract law and contract drafting

#### Overview

It's not just lawyers who need to know about contracts.

And it's not only lawyers who draft them.

Anyone operating in the commercial environment, whether client or supplier, buyer or seller, contractor or subcontractor, needs to know how contracts work.

How is a contract made? What are the limits on what you can and can't do? What are the pitfalls? How can you inadvertently act against your organisation's best interests? How can you protect those interests? What can you do if something goes wrong?

Understanding the basics of contract law and how to draft (or just read) a contract are key skills for anyone pursuing a career in the commercial environment – regardless of which side of the fence you're on.

# Learning objectives

This course will help participants understand:

- How the English legal system governs contract law
- The seven key elements needed for contract formation and how this relates to their own procurement process
- The differences between express and implied terms and conditions and warranties
- The 'battle of the forms' and how to avoid it
- The key legislation which shapes contracting behaviour
- The ways in which contracts can be ended
- How to optimise added value through the duration of the contract
- The significance of key contractual terms
- What to do if there is a change in customer or supplier status
- The principles of contract drafting
- Applicable remedies in the event of disputes

#### Who should attend?

All those who have direct or indirect responsibility for the performance of commercial contracts and who need a working knowledge of contract law to ensure compliance. This includes those responsible for the review and drafting of commercial contracts, and anyone else who needs to understand the risks and liabilities being undertaken.

#### **Course format**

This two-day programme can be delivered on-site or virtually.

The expert trainer takes a proactive, participative, and participant-centred approach with an emphasis on the practical application of the tools, techniques and templates discussed. The creation of action plans by the participants is a key element in the experiential dimension to all our courses. The learning needs to be embedded into the fabric of the organisation and the trainer uses context-based case studies and other tasks to achieve this.

#### **Special features**

The content of this course has been cross-mapped with established competency frameworks and other international standards.

Certificates of attendance are provided on request (for CPD purposes: the programme qualifies for twelve hours, which for most professional bodies translates as twelve points).

The majority of the training we deliver is either tailored or completely bespoke. This workshop can therefore be delivered entirely as advertised, or it can be tailored to your particular requirements, or we can simply take it as a starting point for a conversation with you before we draft a completely bespoke programme for you – the choice is yours.

#### **Expert trainer**

Dr Ray Carter runs his own international training and development consultancy, specialising in procurement. A prolific author, his books include *Practical Procurement, Practical Supplier Selection and Relationship Management* (with Sharon Croome), *Practical Contract and Commercial Negotiations* (with Kenny Campbell) and *Practical Contract Management* (with Steve Kirby, Alan Oxenbury and Geoff Kontzle). He has also had numerous articles and papers published in journals such as *Supply Management* and the Centre for Advanced Procurement's *Praxis* publication. Ray is Chairman of the Procurement Best Practice Forum, which is made up of many large blue-chip organisations, the purpose of which is to identify and disseminate supply chain management best practices. Ray's now famous '10 Cs' of supplier evaluation model, first published in 1995, has become an accepted model for the evaluation of suppliers and contractors and has been adopted by many organisations. It is also part of the CIPS level 3 syllabus. Ray is an external examiner for Salford University and a Fellow of Leicester University.

In recent years, he has undertaken training and consultancy assignments across the UK and around the world for organisations such as Prudential, Virgin Media, Cobham, The Home Office, Ministry of Justice, Low Carbon Contracts Company, IBM, Ministry of Defence, NHS, Royal Botanic Gardens Kew, Bapco, AA, Coca-Cola, Foster Wheeler, Pfizer, British Nuclear Group, Honeywell, Total, Qinetiq, John Lewis, DeLaRue, Serco, Wiliams F1 Team, Hitachi Rail Europe, Rolls-Royce, Boots, RBS, DWP, NHS, Lucas Engineering and Systems, Abu Dhabi Company for Onshore Oil Operations (ZADCO), NDC, Ericsson, BAe, Marconi, BBC, Magnox, Ordnance Survey, Chevron, Caspian Pipeline Consortium, Tengzichevroil Company, Coca-Cola, Shell International BV, IMechE, African Development Bank, United Healthcare, MLM, SEPA, Yorkshire Water, East Lothian Council, Medway Council, Wigan Council, National Grid, City of Bradford MDC, London Fire Brigade, etc, etc, etc.

#### Workshop outline

#### DAY ONE

### 1 Introduction

- Learning outcomes
- Learning styles
- Plan for the day

#### 2 Types of contract

- Services / IT
- Goods / materials
- Construction

#### 3 How the English legal system works

- Civil law
- Statute
- Common law and equity

#### 4 How contracts are made – the theory

- Offer
- Acceptance
- Consideration
- Related legal principles

#### 5 How contracts are made – the practice

- The 'battle of the forms'
- First shot

- Last shot
- Pre-agreement statements
- Contractual disputes

#### 6 How not to make a contract – misrepresentation

- Types of misrepresentation...
  - Innocent
  - Negligent
  - Fraudulent
- ... and their impact on the contract
  - Void
  - Voidable

#### DAY TWO

# 7 Terms and conditions

- Express
- Implied
- 'Boiler plate'
- Special terms
- Interpretation by the courts

#### 8 How contracts end

- Performance
- Breach
- Frustration
- Variations

# 9 Remedies for breach of contract

- Liquidated damages
- Unliquidated damages
- Injunctions
- Performance bonds

# 10 Effects of poorly drafted contracts

- Poor business results
- Distrust
- Disputes / litigation
- Reputational and image issues
- Expensive mistakes and oversights

# 11 Key principles of contract drafting

- Simplification
- Be precise clear, specific, and focused
- Use plain English and avoid jargon and acronyms
- Short words are better than long words
- Understand the whole package
- Sequence logically by chronology of events (ie, what needs to be done when)
- Assumptions
- Conditions
- Warranties

# Any questions?

Please just give us a call on 01582 463463 – we're here to help! Or visit <u>www.theinhousetrainingcompany.com</u>

 $\ensuremath{\mathbb{C}}$  The In-House Training Company / the trainer