



BSU CONTRACT MANAGEMENT POLICY: A HOW-TO-GUIDE

1. Purpose and applicability

- 1.1. This How-to-Guide must be followed for all contracts to be entered into by BSU, including new contracts, renewal contracts, variations of existing contracts and bids.
- 1.2. BSU precedent contracts (such as contracts of employment) that have already been approved as an exception to the Contract Management Policy by the University Secretary under the Financial Regulations (where there has not been any substantial variation to the precedent contract) do not need to follow the Contract Management Policy.
- 1.3. If there is any doubt as to whether the Contract Management Policy applies to a contract then please contact the **Legal Team**.

2. Associated documents

- 2.1. This How-to-Guide must be read in conjunction with BSU's:
 - a. Financial Regulations;
 - b. Contract Management Policy;
 - c. Collaborative Provision Handbook; and
 - d. Contract Review Sheet.

3. Requirements

Overview

- 3.1. When a contract has been received externally or drafted internally, it is

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imperative that subject matter experts (**SME**) are consulted to gain advice or authorisation to specific topics.

- 3.2. The individual leading the contract (the “**Contract Lead**”) must consider whether the contract imposes any obligations or generates any risk that may impact upon BSU teams / departments and, if so, that internal team / department must be added to the BSU Contract Review Sheet as a **SME**. Common examples of **SMEs** to refer to are contained in Appendix A, but this is not an exhaustive list.
- 3.3. A minimum period of 6 weeks’ notice of any contract must be provided to all **SMEs**, unless there are exceptional circumstances. This will enable time for **SMEs** to review the contract and also for a period of contract negotiation (if required).
- 3.4. The BSU Contract Review Sheet, and any associated internal correspondence / discussion must not be disclosed or discussed externally, and should be limited internally to those with a need-to-know.

STEP ONE – Review

- 3.5. The **Contract Lead** must provide the **SME** with a summary of the background to the contract at the earliest possible opportunity.
- 3.6. The **Contract Lead** must ensure that they have themselves read and understood the obligations detailed in the contract. The **Contract Lead** must identify to the **SME** any obligations and/or risks in the contract that they believe are unlikely to be able to be satisfied or difficult to manage in practice.
- 3.7. All relevant **SMEs** must complete Table 1 of the BSU Contract Review Sheet. The **Contract Lead** shall ensure that all relevant **SMEs** complete the BSU Contract Review Sheet.
- 3.8. The **Legal Team** must in all circumstances be consulted *after* all other **SMEs** have reviewed the contract and be provided with the completed BSU Contract Review Sheet. The **Legal Team** shall input their review in Table 2 of the BSU Contract Review Sheet and return to the **Contract Lead**.

STEP TWO – Approval

- 3.9. Before recommending signature of a contract, the **Contract Lead** must ensure that all steps laid out at paragraph 3.3 of the Contract Management Policy have been carried out and be satisfied that the content of the contract is satisfactory.

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- 3.10. The person responsible for signing the contract will be as identified in the BSU Financial Regulations or otherwise authorised by the Board of Governors (the “**Contract Signatory**”).
- 3.11. The **Contract Lead** must provide the **Contract Signatory** with the completed BSU Contract Review Sheet prior to signing the contract.
- 3.12. The **Contract Signatory** should review the BSU Contract Review Sheet prior to signing the contract.
- 3.13. The **Contract Signatory** should consider whether each risk identified in the BSU Contract Review Sheet can be accepted by BSU and complete the applicable column in the BSU Contract Review Sheet.
- 3.14. Where a risk is not accepted by the **Contract Signatory**, the following steps must be taken:
 - a. The **Contract Lead** must take such action as specified by the **Contract Signatory**;
 - b. The **Contract Lead** must refer any subsequent changes to the contract to the relevant **SME(s)**;
 - c. The **SME(s)** must complete Table 2 of the BSU Contract Review Sheet as far as applicable with any changes to their review or confirm to the **Contract Lead** that there are no updates to make;
 - d. The **Contract Lead** must refer the updated BSU Contract Review Sheet to the **Legal Team** for review; and
 - e. The **Contract Lead** must then refer the BSU Contract Review Sheet to the **Contract Signatory**.
- 3.15. Once all risks have been accepted by the **Contract Signatory**, the **Contract Signatory** must sign the BSU Contract Review Sheet.
- 3.16. An example of a completed BSU Contract Review Sheet is at Appendix B.

STEP THREE – Signature

- 3.17. The contract must not be signed by the **Contract Signatory** until:
 - a. all relevant **SMEs** have completed the BSU Contract Review Sheet; and
 - b. all risks detailed on the BSU Contract Review Sheet have been accepted and signed by the **Contract Signatory**.
- 3.18. At the time of signature of the contract, the **Contract Signatory** and the **Contract Lead** must ensure that all relevant dates are inserted in the contract.
- 3.19. Following signature of the contract, the **Contract Lead** shall ensure that all other parties to the contract have signed the contract and a

copy of all signatures is obtained.

- 3.20. As soon as possible following signature of the contract, the **Contract Lead** must provide the following to the **Legal Team**:
 - a. The original contract signed by all parties; and
 - b. A copy of the signed BSU Contract Review Sheet.

4. Contract Management

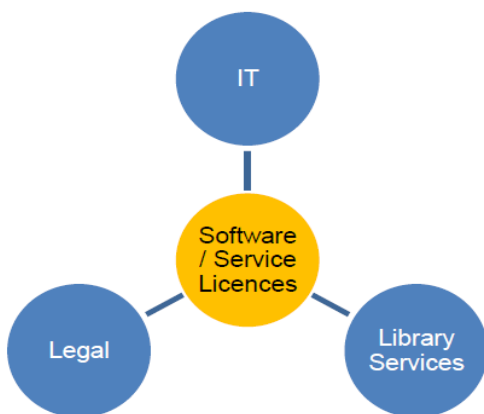
- 4.1. The **Contract Lead** must ensure that a **Contract Manager** is appointed to manage the carrying out of the contract by the date of signature of the contract (at the latest) and is provided with a copy of the signed contract.
- 4.2. The **Contract Manager** must follow the steps required as outlined in the “Contract Management” section of the Contract Management Policy.

5. Records

- 5.1. The **Legal Team** shall appropriately store the original contract.
- 5.2. The **Contract Manager** shall ensure that an electronic copy of the contract is stored and relevant contract details are recorded in a contract database with at least the details required in the “Contract Management” section of the Contract Management Policy.
- 5.3. The **Contract Manager** shall ensure that the **Legal Team** is informed when the contract terminates, howsoever arising.
- 5.4. Following termination, the original contract shall be retained in accordance with BSU’s Document Retention Policy, after which time it may be confidentially destroyed on the instruction of the **Legal Team**.
- 5.5. The contract must not be disclosed to anyone internally within BSU or externally without the prior authorisation of the **Legal Team**.

Appendix A

Suggestions of relevant SMEs for common contracts



Appendix B

EXAMPLE - BSU CONTRACT REVIEW SHEET

- A completed Contract Review Sheet must be presented to the Contract Signatory prior to contract signature -

Customer: **FRED FLINSTONE LTD**

Contract Scope: **Contract for the supply of case management software**

Contract Lead: **BARNEY RUBBLE**

Date: **14/01/2020**

TABLE 1 - Initial Review:

REVIEWER TO COMPLETE						CONTRACT SIGNATORY TO COMPLETE
TEAM	DATE	COMMENTS	RISKS IDENTIFIED	SIGNIFICANT RISK? <i>i.e. could cause serious detriment to BSU</i>	OUTCOME OF SIGNIFICANT RISK REFERRAL	RISK ACCEPTED?
<i>e.g</i>	<i>01/01/20</i>	<ul style="list-style-type: none"> <i>N/A</i> 	Clause: 6 Title: <i>Cyber Security</i> Impact: <i>Serious</i>	Yes <input checked="" type="checkbox"/>		Yes <input checked="" type="checkbox"/>

REVIEWER TO COMPLETE					CONTRACT SIGNATORY TO COMPLETE
<i>IT: Betty Rubble</i>			Risk: <i>Potential to compromise BSU's ability to hold Cyber Essential accreditation.</i> Mitigation: -	No <input type="checkbox"/> If yes , state BSU Team / Committee for referral: <i>Information Governance Board</i> If no , state why:	No <input type="checkbox"/> If no, details of further action required prior to contract signature:

TABLE 2 - Final Review:

REVIEWER TO COMPLETE	CONTRACT SIGNATORY TO COMPLETE

REVIEWER TO COMPLETE						CONTRACT SIGNATORY TO COMPLETE
TEAM	DATE	COMMENTS	RISKS IDENTIFIED	SIGNIFICANT RISK? <i>i.e. could cause serious detriment to BSU</i>	OUTCOME OF SIGNIFICANT RISK REFERRAL	RISK ACCEPTED?
e.g. Legal: George Slate (1)	01/01/2020	<ul style="list-style-type: none"> Contract Lead to ensure IT aware of and able to adhere to contract obligations. 	<p>Clause: 5 Title: Limitation of Liability Impact: Not serious Risk: Uncapped liability - exposure to unknown and unlimited cost.</p> <p>Mitigation: Internal identification and monitoring procedures of contract obligations required to be put in place to reduce risk of breach of contract.</p>	<p>Yes <input type="checkbox"/></p> <p>No <input checked="" type="checkbox"/></p> <p>If yes, state BSU Team / Committee for referral:</p> <p>If no, state why: <i>Internal mitigation processes to be put in place.</i></p>	N/A	<p>Yes <input type="checkbox"/></p> <p>No <input checked="" type="checkbox"/></p> <p>If no, details of further action required prior to contract signature: <i>High risk of financial and reputational repercussions in event of breach. Negotiation required for liability cap up to £1 million.</i></p>

REVIEWER TO COMPLETE						CONTRACT SIGNATORY TO COMPLETE
Legal: George Slate (2)	14/01/2020	<ul style="list-style-type: none"> Liability cap changed to £1 million. 	Clause: N/A Title: Impact: Risk: Mitigation	Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, state BSU Team / Committee for referral: If no, state why: Internal mitigation processes to be put in place.	N/A	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If no, details of further action required prior to contract signature:

Signed: Wilma Flinstone