

LETTER OF ENGAGEMENT

ICB expects members in practice to prepare a formal letter of engagement/contract for every client. A copy of this should be held by both parties and readily available should ICB or any other authoritative body require sight of it.

An important purpose of a letter of engagement (and indeed any contract) is to protect both you and your client in case things go wrong and, if things do go wrong, to ensure there are clear definitions and distinctions regarding who was, and is, likely to be responsible. Clear written definitions assist both you and your client in knowing where each of you stands before, during, and after your engagement and, if things do go wrong, in reaching a mutually agreeable resolution.

A badly drafted letter, or a letter you have not prepared properly and familiarised yourself with, is likely to result in you and your client having responsibilities for things you do not want and which may be outside your area of expertise. So, it is very important that you are aware of, and understand, everything in your letter.

Should you make a mistake in your original letter, and it is signed by your client, don't panic. Both you and your client can sign a new corrected letter and include a term in it saying the previous letter ceases to have any effect. Equally, you could prepare an addendum to add to your original letter listing the mistake, saying it no longer applies, and stating what does apply instead (this will also need to be signed by both you and your client).

It is important to try to clearly and accurately detail the agreement at the start and as soon as any changes occur as this will help avoid any potential disagreement later, especially if you have a written record of what was agreed in your letter.

ICB has prepared an example of a draft letter of engagement to introduce you to some of the things you might want your letter to include, and to provide you with some basic guidance. However, this draft letter is not to be considered or used as your complete and/or finalised letter of engagement.

The draft letter ICB has prepared is likely to include some terms and conditions which will not apply to your practice and omit other conditions which will, and so, ICB recommends you read the letter thoroughly.

When preparing your own letter of engagement ICB recommends you seek independent legal advice and/or guidance so as to ensure your letter contains all of the terms you will need to cover your engagement and none of the terms which don't.