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## Partnership and Procurement Project

### Collaborating in Partnership – Introduction

Collaborating in partnership takes many forms ranging from a loose affiliation to formal legally enforceable agreements. Deciding the appropriate form of partnership depends on its purpose. Our project is focussed on supporting community groups and voluntary organisations which want to work in formal partnerships. The partnership may be called a consortium.

Many community/voluntary organisations are considering the option of collaborating in partnership with others. This is part of a wider agenda about ensuring that services to the public are 'joined-up' to maximise both efficiency and effectiveness. Both grant-funders and public service commissioners increasingly look for evidence of partnership in funding applications and tender\* submissions. Where community/voluntary organisations are bidding for contracted services, the value of the contracts on offer may mean that partnership is the only way of submitting a viable bid.

The form of partnership may be influenced by the views of potential service commissioners (e.g. some would not agree to a sub-contracting regime).

#### Creating a new legal entity

The partners set up a new legal entity (e.g. company ltd, CIC etc.) in which they are a shareholder. The legal entity bids for any contracts that the partners are interested in. The partners may need to provide start-up funding. The partners will usually have equal shares. This option is the most expensive option and ensures that all partners share risk and responsibility in a legal framework.

#### Adopting a 'lead' agency

One of the partners agrees to act as a 'lead' agency which takes responsibility for bidding for contracts and overall management of the delivery of services. The 'lead' agency has legal responsibility for any contracts and therefore carries the risk and responsibility. The 'lead' agency will need to have clearly written partnership agreements/sub-contracts with its partners in order to share the risk and responsibility. The 'lead' agency may or may not be involved in service delivery. The 'lead' agency option is low-cost and relatively easy to set-up but it is important that well-prepared written partnership agreements/sub-contracts are in place to ensure that rights, responsibilities and share of risk is understood by all partners.

#### Partner sub-contracting

Within the partnership there is no single 'lead' agency. Each partner agrees to act as a lead for a particular contracting opportunity. If successful with a bid, that partner then takes on responsibility for management of service delivery etc. This can ensure that risk is shared around all the partners and across all the contracts rather than being with a single partner. Well-prepared written partnership agreements/sub-contracts are very important to ensure that rights, responsibilities and share of risk is understood by all partners.

These are the three main options – alternatives can be viewed on the websites given in Further Information.

#### Further information

BASSAC: [www.bassac.org.uk/our-programmes/collaboration/collaborate-for-commissioning/models-for-collaborative-working](http://www.bassac.org.uk/our-programmes/collaboration/collaborate-for-commissioning/models-for-collaborative-working)

NCVO: [www.ncvo-vol.org.uk/advice-support/public-service-delivery/working-with-others](http://www.ncvo-vol.org.uk/advice-support/public-service-delivery/working-with-others)

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\*please look at our Jargon Buster for further explanation of unfamiliar words

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