

Formalising partnerships

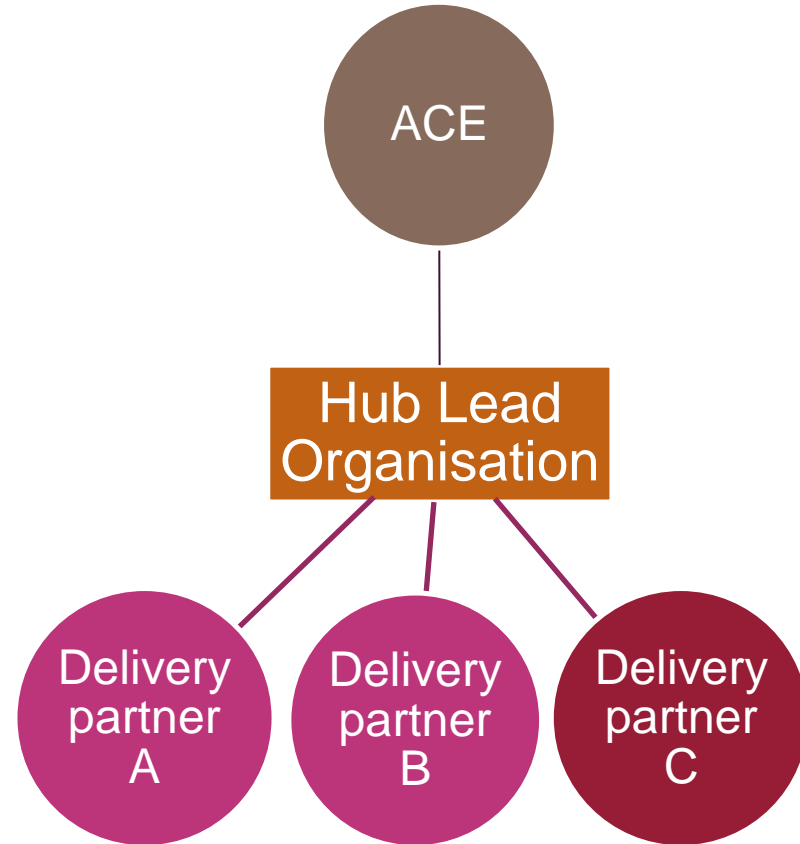
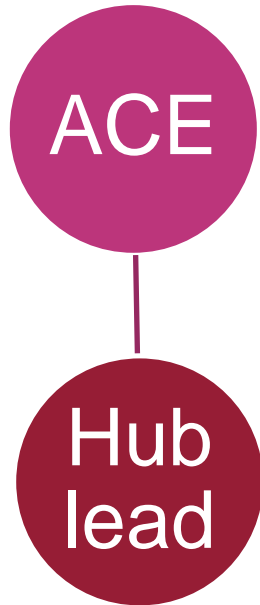
Augustus Della-Porta, Partner

Erica Crump, Partner

25 April 2023



Current vs new



Why formalise this?

ACE
expectation

Clear roles/
democracy

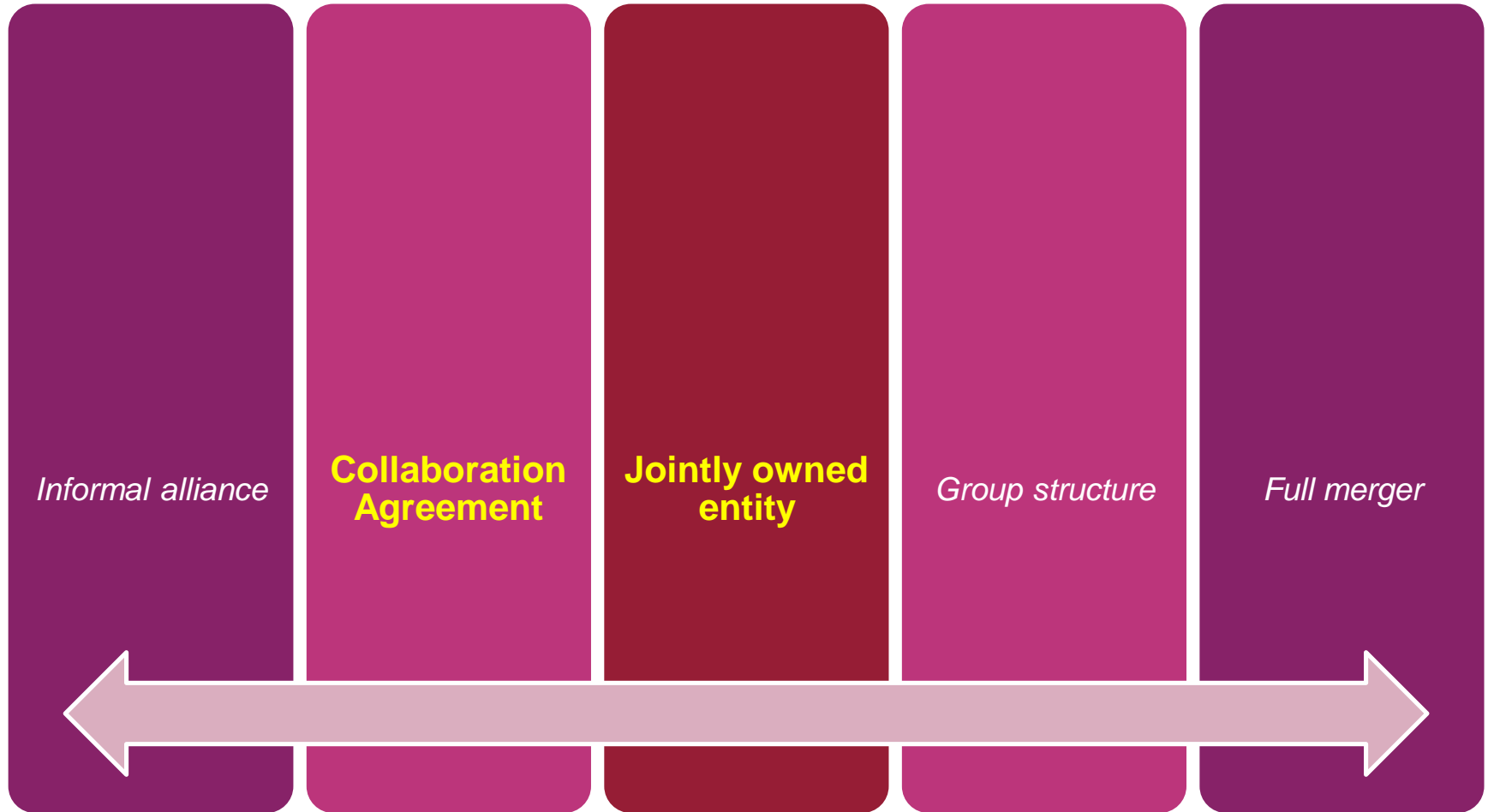
Financial
and other
contributions

Payments
and
deliverables

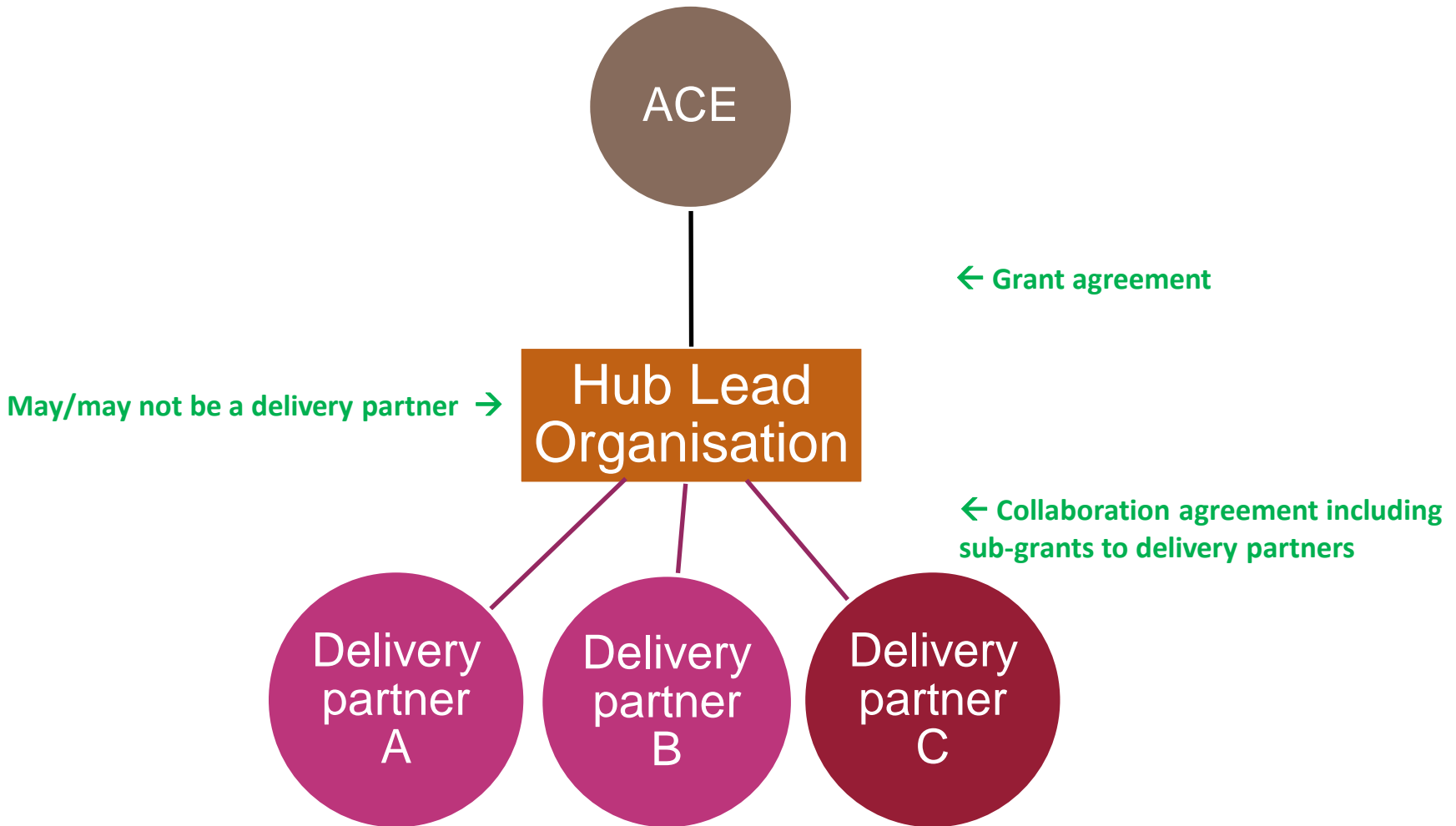
Monitoring
and
reporting

Joint
working
mechanisms

The collaboration spectrum



Partnering by Agreement



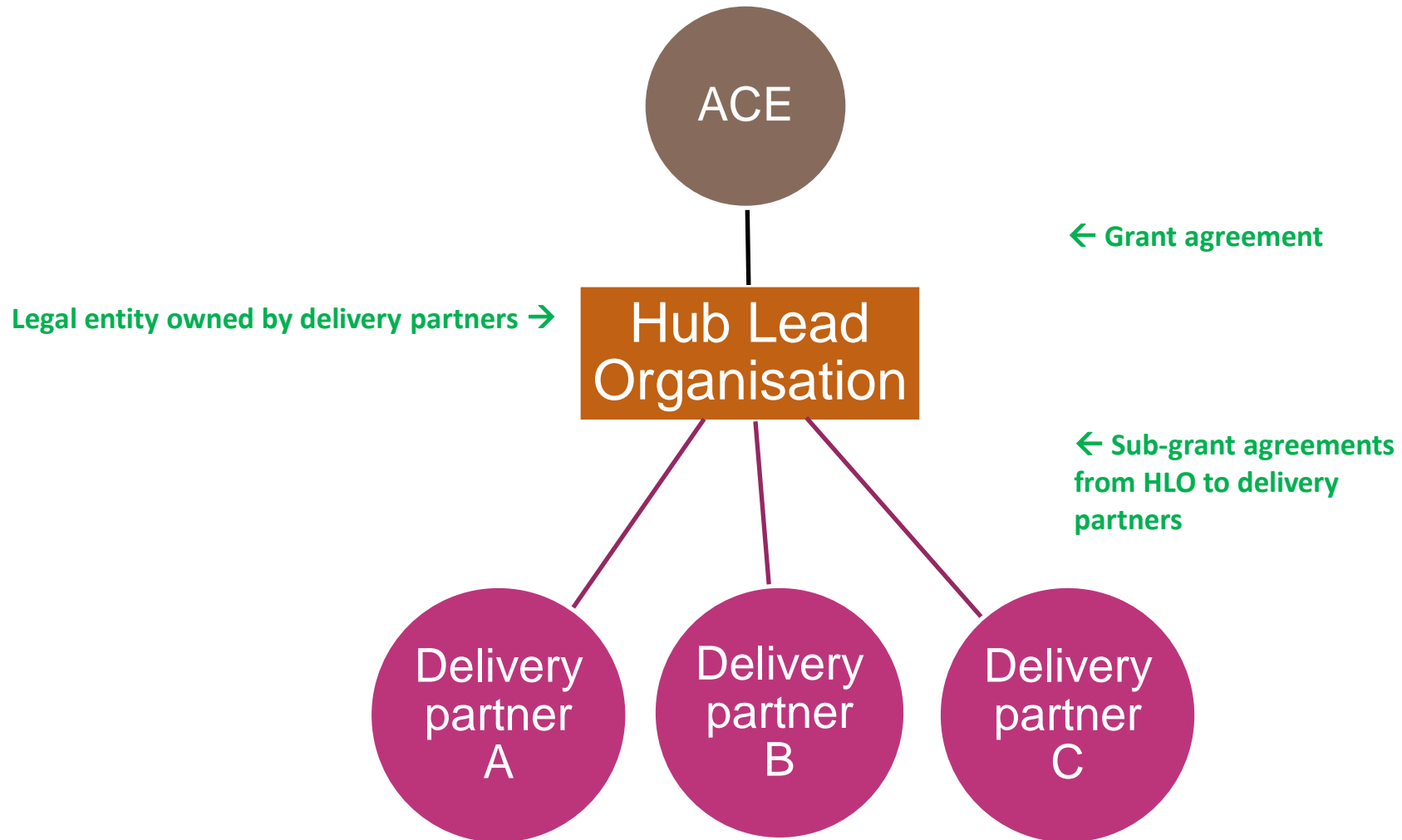
Partnering by agreement

- Collaboration agreement between HLO and delivery partners including provisions on:
 - Deliverables – who will do what by when
 - Compliance with terms of Head agreement
 - Joint working mechanisms (e.g. steering group)
 - Data privacy. IP, staff
 - Liability and indemnities
 - Monitoring and reporting
 - Termination and consequences of termination
 - Exit strategy and new joiners

Collaboration Agreement – advs and disadvs

Advantages	Disadvantages
Clear record of responsibilities and division of risk/liability	Risk of project not ring-fenced in separate entity
No separate legal entity to establish/run	One party will need to be the lead and take on the risk of the head contract
Easy to amend as collaboration progresses	Arguably less focussed than a jointly owned entity
Can tailor agreement to needs	

Partnering by setting up a jointly owned entity



Jointly owned entity – advs and disadvs

Advantages	Disadvantages
No hierarchy – all members of collaboration on same level playing field	No track record – potential obstacle to receiving government funding? Opening bank account?
Ring-fenced risk	ACE state they are open to this as a partnership model but no confirmation from DfE
Avoids one party having to take responsibility for the head contract	Expense/administration of setting up and managing new entity – and likely to require collaboration agreement as well
Clearer purpose/branding?	If ACE accept this structure, may require member guarantees
Clearer governance laid out in governing document	Harder to exit

The collaboration journey

For collaborations by agreement and jointly owned entities:

Scoping of collaboration
Objectives
who/when/how?

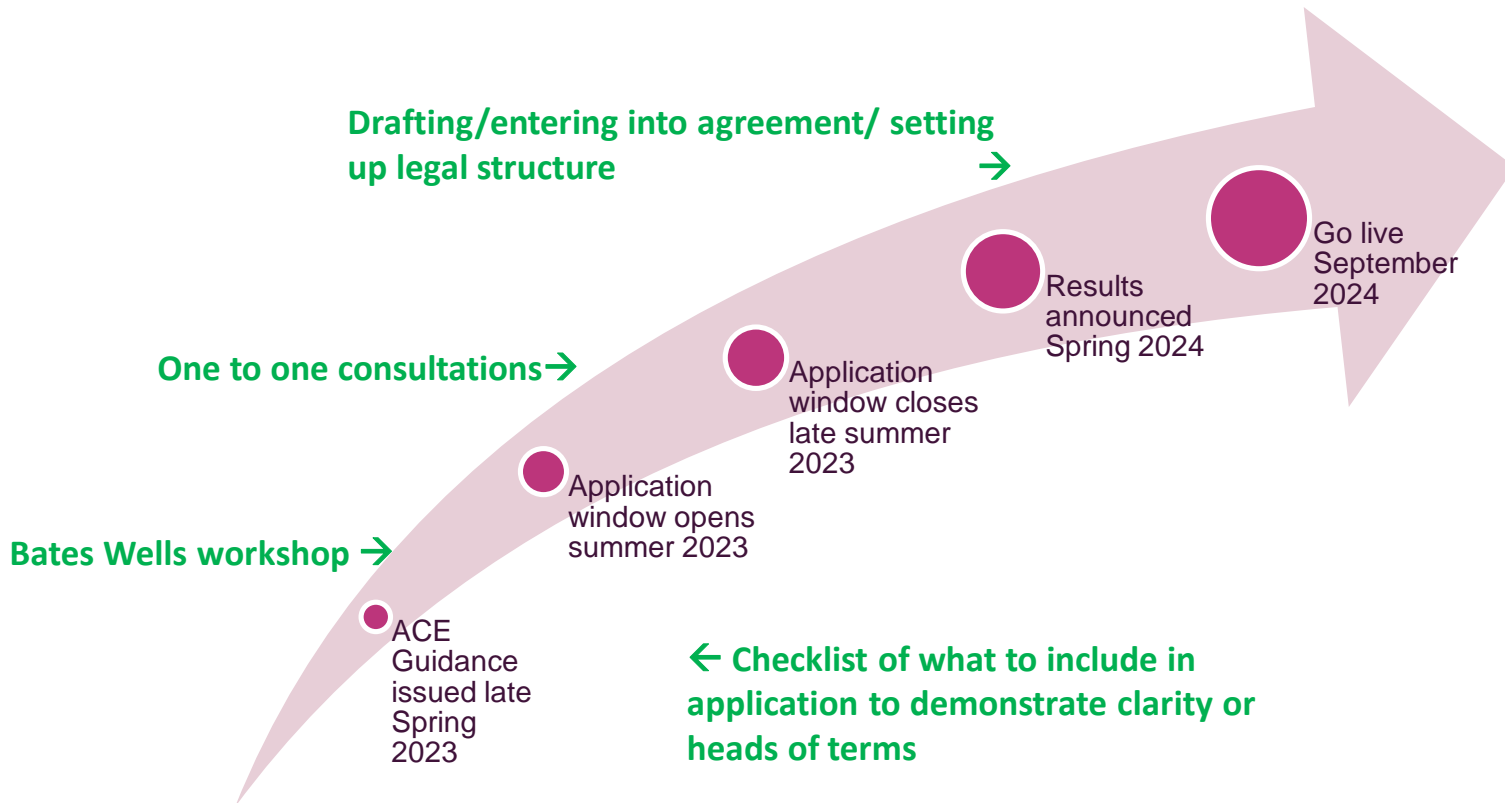
Due diligence on parties (financial, legal, operational, cultural)

Confidentiality and protect commercial /sensitive information

Negotiate heads of terms, so parties are clear on principles

Negotiate and enter into final documentation/
set up legal entity

Timetable



Questions?





Thank you.



Augustus Della-Porta
Partner

Email: a.della-porta@bateswells.co.uk

Erica Crump
Partner

Email: e.crump@bateswells.co.uk

Bates Wells & Braithwaite London LLP
10 Queen Street Place
London EC4R 1BE

Bateswells.co.uk

Tel: +44 (0) 20 7551 7777

We use the word 'partner' to refer to a member of the LLP or an employee or consultant with equivalent standing and qualifications.

