

Report to CABINET

Extend The Unity Partnership Agreement with the Council

Portfolio Holder:

Councillor Abdul Jabbar

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Ext. 4740

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Reason for Decision

The existing partnership agreement between the Council and The Unity Partnership Limited is due to expire on 31st August. The purpose of this report is to request permission to extend the existing agreement for a further period of five years subject to an annual review of the delivery of the services.

Executive Summary

See above

Recommendations

1. Grant authority to extend the existing partnership agreement between the Council and The Unity Partnership Limited for a further period of five years subject to an annual review of the delivery of the services.
2. Delegate authority to the Director of Legal Services to affix the Council's seal to the Deed of Variation to the Unity Partnership Agreement.

Extension of The Unity Partnership Agreement

1 Background

- 1.1 On 2nd July 2018 the Council acquired the remaining shares in The Unity Partnership Limited so that it became a wholly owned Council controlled company.

2 Current Position

- 2.1 On 24th September 2019 the Council signed a partnership agreement with The Unity Partnership for the delivery of services to the Council. The agreement was for an initial period of 11 months and is now due to expire on 31st August 2020.
- 2.2 Cabinet members are invited to consider the extension of the existing service provision by The Unity Partnership Ltd for a further period of five years. This will be called the Extension Period.
- 2.3 The delivery of services under the partnership agreement during the Extension Period would be subject to an annual review by the Council. Should the Council decide that it no longer wishes to continue with the provision of services by The Unity Partnership Limited the Council could trigger the termination provisions within the partnership agreement and the template exit plan within the partnership agreement would be invoked.

3 Options/Alternatives

- 3.1 Cabinet can approve the extension of the existing partnership agreement with The Unity Partnership Limited.
- 3.2 Cabinet can decide not to extend the partnership agreement and terminate the agreement in accordance with the terms and conditions of the partnership agreement.

4 Preferred Option

- 4.1 The preferred option is to continue with the current arrangements for service delivery and extend the partnership agreement for a further period of five years subject to an annual review.

5 Consultation

- 5.1 The Council conducted extensive consultation with stakeholders, employees and unions when embarking upon the proposal to acquire the shares and take over control of the company.

6 Financial Implications

- 6.1 The existing Partnership agreement is due to expire on the 31st August 2020 and the preferred option is to extend this agreement by a further 5 years subject to annual reviews on service delivery.
- 6.2 UPL deliver a range of core services on behalf of the Council for an agreed core fee. The core fee is subject to annual review between the Council and UPL and any changes to the core fee is incorporated in the Council's budget setting process. (Nicola Harrop)
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- 7 **Legal Services Comments**
- 7.1 The Council entered into a formal partnership arrangement with the Unity Partnership on 24th September 2019 for the delivery of specific services to the Council as described in Schedule 1 to the Agreement. The Council is minded to grant an extension of the existing contractual arrangements with its wholly owned controlled company. As such, it is not required to carry out a formal procurement exercise because the company is considered to fall within the scope of the “Teckal” exemption in Regulation 12 (1) of the Public Contracts Regulations 2015.
8. **Co-operative Agenda**
- 8.1 The provision of services by The Unity Partnership Limited assist the Council in meeting its co-operative agenda.
- 9 **Human Resources Comments**
- 9.1 N/A
- 10 **Risk Assessments**
- 10.1 The Council to manage its risks need to ensure its contractual relationship with Unity is managed in an appropriate manner and this report sets out how this contractual relationship will be managed for 5 years. The annual review will be important for the Council to manage its other risks such as linking the contract into its future financial resilience to ensure the present level of services provided remains affordable post pandemic (Mark Stenson).
- 11 **IT Implications**
- 11.1 The Unity Partnership Limited provides the Council’s support for its information technology.
- 12 **Property Implications**
- 12.1 There are no significant property implications with continuing the current partnership arrangements.
- 13 **Procurement Implications**
- 13.1 There is no requirement for a formal procurement process for the extension of a contract with a wholly owned “Teckal” company.
- 14 **Environmental and Health & Safety Implications**
- 14.1 N/A
- 15 **Equality, community cohesion and crime implications**
- 15.1 N/A
- 16 **Equality Impact Assessment Completed?**
- 16.1 N/A
- 17 **Key Decision**
- 17.1 Yes
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18 **Key Decision Reference**

18.1 FG-23-20.

19 **Background Papers**

19.1 None

20 **Appendices**

20.1 The appendix is attached to the report in the restricted part of the agenda.
