

Appendix 4

DRAFT - APPENDIX FOUR - CHECKLIST – ASSESSMENT OF PROPOSAL FOR ASSET TRANSFER

INTRODUCTION

This document follows the information requested from organisations requesting asset transfer as part of the framework business case.

It is intended to be used as part of the Assessment Panel Review process.

Its purpose is threefold:

- To act as a checklist against which to assess the business case
- To act as a mechanism to “sift” proposals, identify gaps and further work
- As a specific tool to differentiate between competing bids, which can be “scored” if necessary

NOTE IN ALL CASES YOU SHOULD PROVIDE EVIDENCE TO SUBSTANTIATE THE JUDGEMENTS BEING MADE

ELIGIBILITY CRITERIA

E.1 Legal Status of the Organisation

Recognised legal entity. e.g. Registered Company Ltd by Guarantee or Community – evidence supplied

Community Interest Company – evidence supplied

Registered Charity – evidence supplied

Industrial and Providence Society – evidence supplied

Other legal structure – evidence supplied

E.2 Organisation can demonstrate support IN PRINCIPLE for proposal from a Council Directorate

The organisation has in principle support from a Council Directorate AND a clear and convincing explanation of the links to the SCS and *Corporate Plan* has been offered (NOTE we are NOT asking the supporting Directorate to determine use of the asset – rather to comment on the proposal, and how it supports their objectives)

IF THE ABOVE CRITERIA HAVE NOT BEEN MET END ASSESSMENT HERE AND REFER ORGANISATION TO WORCESTERSHIRE INFRASTRUCTURE CONSORTIUM

A1. Goal and objectives of this proposal

A1.1. Has the organisation offered a clear statement of what it is seeking to achieve for its community – what is the need the asset will meet?

No explanation of need offered

Need explained but no evidence supplied to back up explanation

Need explained and backed up by qualitative evidence (e.g. consultation outcomes)

Need explained and backed up by quantitative evidence

Need explained and backed up by qualitative and quantitative evidence

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A1.2. Has the organisation offered a clear statement of demand for the proposal and the links that the organisation has to the local area or to the interest group putting forward the proposal

Demand has not been evidenced

At consultation stage with the community – still gathering evidence

Demand for proposals has been evidenced but the evidence is unconvincing

Demand for proposals has been evidenced and the evidence is convincing

A1.3. Has the organisation offered a clear explanation of why the asset is necessary to the achievement of the objectives?

An explanation has not been offered

An explanation has been offered but the role of the asset in respect of the objectives is not clear

A clear explanation of the role of the asset in respect of the objectives has been presented

A1.4. Has the organisation offered an explanation of the alternatives to asset transfer that have been explored (e.g. shared use of another building, joining up with an other facility or organisation etc. Should demonstrate that the organisation is aware of other activity going on in the area)

An explanation of the alternatives explored has not been offered

An explanation of the alternatives explored has been offered but the reason that the alternatives have been rejected is unclear, unconvincing or incomplete

A clear and convincing explanation of the alternatives explored and why these are not suitable has been presented

A1.5. Has the organisation offered a statement of the expected benefits to the community if the proposal is successfully realised – what will be different

An explanation of the expected benefits has not been offered

An explanation of the expected benefits has been offered, but the expected outcomes are not clear

A clear and convincing explanation of the expected benefits has been offered

A.2. Ownership or management of asset

A.2.1. Has the organisation clarified of whether ownership or leasehold is sought and why

NOTE – THE ORGANISATION MAY HAVE STATED HERE A PARTICULAR ASSET THEY HAVE IN MIND

There is no clarity about whether the organisation wishes to own or manage an asset
The organisation has stated whether they wish to manage or own an asset – but the implications of this have not been clearly thought through

The organisation has stated the asset which they wish to manage / own

There is some evidence that the organisation has considered the responsibilities and liabilities that arise from ownership / management of this asset – but there are gaps (please state what these are)

The organisation has clearly considered the management / ownership arrangements for this asset and has understood the responsibilities and liabilities involved.

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A.2.2 Has the organisation sought advice at this stage from professionals in respect of this proposal (e.g. legal advice, advice on building or refurbishment work, feasibility study). It is accepted that the organisation may wish to take further advice later in the process

The organisation has not received professional advice in respect of this proposal at this stage

There is some evidence that the organisation has sought advice on some aspects of the proposal

The organisation has outlined the advice they will take at a later stage in the proposals development

The organisation has sought and received relevant professional advice in respect of this proposal

A.3. Timescale

Has the organisation offered an explanation of the likely timescale for the project? (A.3.1 – A.3.4 NOTE to be evidenced by a detailed underpinning project plan at Stage B)

An explanation of the timescales for this project has not been offered

An explanation of the timescales for this project has been offered, but this does not seem realistic or achievable

A clear explanation of the timescales for this project has been offered that appears achievable and realistic

A.4. Information about the organisation

A.4.1. How long has the organisation been running?

The organisation has been running for 1 – 3 years

The organisation has been running for between 3 – 7 years

The organisation has been running for longer than 7 years

A.4.2. Has the organisation highlighted any specific skills in their group that will help with the proposal

The organisation has not highlighted any specific skills that may help with the proposal

The organisation has highlighted some members of their group with relevant skills

The organisation has a range of relevant skills within their group

There are a range of skills represented on their management arrangements

A.4.3. Has the organisation explained the financial audit arrangements? NOTE

the organisation should have provided full notes version of the annual accounts for each of the last three financial years

The organisation has no external audit arrangements

Smaller organisations not subject to a statutory requirement can provide evidence of an independent examination of their accounts

The organisation has an annual external audit

The organisation has had a qualification on its accounts in the last 3 years

The organisation has had unqualified accounts for the last 3 years

A.4.4. Does the organisation use a Quality System?

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No organisational QA standard used or applied for
 Organisation is working towards membership of recognised organisational standard (e.g. Pqasso, CM 'Visible' standard, DTA 'Healthcheck' complemented by the Code of Good Governance¹)
 Organisation has achieved recognised organisational QA standard complemented by the Code of Good Governance in last 12 months
 Organisation has been successfully operating organisational QA standard complemented by the Code of Good Governance for between 1 and 5 years
 Organisation has been successfully operating to a recognised organisational QA standard complemented by the Code of Good Governance for at least 5 years

A.4.5. Has the organisation provided a copy of their latest Annual Report

The Annual report has not been enclosed
 The Annual report has been enclosed, but does not provide evidence to support the statements made in A.5 below
 The Annual Report has been provided and the content supports the statements made in A.5. below

A.5. Professional Experience

A.5.1. Does the organisation currently receive, or have they at any time during the last 3 years received, any funding from any *Council in Worcestershire*?

A.5.2. If answered Yes has the organisation provided details of any *strategic grant/ contract (i.e. not "one off" grants for specific events or activities)*

The organisation has not received any grant funding from *XX Council* in the last three years
 The organisation has received grant funding from *XX Council* in the last three years, but this ceased in *XX* (you may wish to ask for further information from the appropriate service)
 The organisation currently receives grant funding from *XX Council* (you may wish to ask for further information from the appropriate service)

A.5.3. Other than Council funding has the organisation over the last three years received and provided details of other :

- Sources of funding
- Purposes for which funding is received
- Periods of funding
- Annual Value
- Contact person from funding organisation

(NOTE if all of the above information is clearly detailed in the Annual Accounts or Annual Report the organisation should have signposted the relevant sections e.g. page number, and provided only the additional details)

The organisation has no track record of delivering services or activities

¹ An assessment by WCC V&CS Unit concluded that each of these quality assessments would require robust governance arrangements to be in place to qualify for the kite mark. If coupled with the Code of Good Governance they may be considered robust.

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The organisation has a track record of delivering services, but not at a level that is commensurate with the proposal to manage / own this asset

The organisation has a track record of delivering services at a level that is commensurate with the proposal to manage / own this asset

A.5.4. Has any Contract or Service Agreement or Service Level Agreement that the organisation had with a public body or any Grant Funding received from a public body, been terminated before expiry or suspended over the last three years and A.5.5 If Yes please give details

The organisation has not had any funding terminated or suspended over the last three years

The organisation has had funding terminated or suspended, but a satisfactory explanation has been offered

The organisation has had funding terminated or suspended, and no satisfactory explanation has been offered

A.5.6. Are there any current pending, outstanding or potential claims against the Organisation which will/would be heard in a Court or Tribunal?

No

Yes – the claim is still pending

Yes – the claim is still pending but the organisation has already taken remedial action in response to the claim

Yes - the claim has been determined against the organisation and as a result the organisation has taken remedial action

Yes – the claim was determined against the organisation but no evidence has been offered of remedial action taken in response

**A.6. Capital cost
(Sections A.6.1 – A.6.5)**

The organisation has not considered capital costs and/or funding

The organisation has given some consideration to capital expenditure but has not identified sources of funding or whether they intend to use the asset as collateral

The organisation has considered capital expenditure requirements, has identified funding sources and anticipates using the asset as collateral to secure funding

**A.7. Revenue costs
(Sections A.7.1 – A.7.2)**

The organisation has not considered ongoing revenue costs

The organisation has given some consideration to revenue expenditure but has not clarified how these are to be funded

The organisation has considered revenue expenditure and is clear how these costs will be funded

A.8. Other resource needs

A.8.1. What other resources are needed to make the proposal a success, and how might they be secured? (NOTE - Resources might include: People /particular skills or knowledge / professional input, IT)

The organisation has not considered further resource needs

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The organisation has given some consideration to further resource needs but the following gaps have been identified (please state what these are)
The organisation has considered the further resources required to enable transfer and for steady state needs

A.9. Sustainability

A.9. 1. Has the organisation considered the long term prospects for the proposal?

The organisation has not considered how the proposal will be sustained in the long term

The organisation has given some consideration to how the proposal will be sustained for the longer term, but the following gaps have been identified (please state what these are)

The organisation has a clear plan for the long term sustainability of this proposal

A.9.2. Has the organisation considered how it will be sustained beyond the involvement of the current individuals?

The organisation has not considered how the proposal will be sustained beyond the involvement of the current individuals

The organisation has given some consideration to how the proposal will be sustained beyond the involvement of the current individuals, (for example succession planning, training for future management committee members, involvement / mentoring schemes, or partnership with local business or organisation) but the plans are not comprehensive or convincing

The organisation has clear and convincing plans for the sustainability of this proposal beyond the involvement of the current individuals

A.10. Initial Risk analysis

A.10.1. Has the organisation made an initial assessment of risks to successful implementation of the proposal and its subsequent success and 10.2 the steps to been taken to mitigate those risks?

The organisation has not carried out an initial risk assessment

The organisation has carried out a risk assessment, but the proposals to mitigate risk are inadequate and the following gaps have been identified (please state what these are)

The organisation has carried out a satisfactory risk assessment at this stage with clear proposals to mitigate risk

SUPPORTING INFORMATION FOR PART A

- Supporting statements from Council Service / Directorate
- Written constitution or evidence of legal structure
- Full notes version of Annual accounts (for each of the last 3 years)
- Annual Report
- Evidence of Quality System (if applicable)
- Professional advice or Feasibility Studies (if applicable)
- Understanding of costs – Revenue and Capital

FEEDBACK RESULTS TO THE ORGANISATION – IF NECESSARY GO TO PART B. BELOW

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PART B – ADDITIONAL INFORMATION

B.1. Goals and objectives of this proposal.

B.1.1. Has the organisation provide evidence of engagement with the local geographical community and summary of the outcomes of this² (please append any supporting information e.g. community consultation outcomes)

Local engagement has not been evidenced

Local engagement has not been evidenced, but there is local opposition to the proposals

Local engagement has been evidenced and there is local support for the proposals

Although there is not local support for the proposal there is clear evidence of demand for this proposal from the community of interest and this on balance outweighs local opposition

B.1.2. Has the organisation provided a statement of any expected negative impacts for the community if the proposal is successfully realised

The proposal does not identify any expected negative impacts for the community if it is successfully realised – however the Assessment Review Panel has identified potential negative impacts (please state what these are)

Negative impacts for the community are identified, but no information is offered about how these impacts may be mitigated

Negative impacts for the community are identified but information is given about how these impacts may be mitigated

B.2. – Performance Targets

B.2.1. Has the organisation provided a statement of key performance targets and reporting mechanisms

No key performance targets have been identified

Benefits have been identified but these have not been defined in a way to enable measurement (i.e. no clear targets have been set)

Clear performance targets have been identified, but how progress against these is reported is not clear

Measurable performance targets have been developed, and reporting arrangements are clear

B.3. Further information about the organisation

B.3.1. Has the organisation provided an explanation of the roles and responsibilities of the management body?

An explanation of roles and responsibilities of management committee members has not been offered

^{2 2} The Council recognises that communities may be geographical or communities of interest. In some cases there may be tensions between the two. The Council will look for evidence of positive engagement with local geographical communities, but accepts that in some cases a further balance may be between the interest group involved and local support for a proposal.

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An explanation has been offered but the roles and responsibilities of management committee members is not clear or relevant skills appear to be missing
A convincing explanation of the governance arrangements, roles and responsibilities of members of the management body and specific skills has been offered

B.3.2. Has the organisation provided a structure chart showing roles and lines of accountability (including if relevant numbers of staff employed and lines of staff management and accountability)

A structure chart is not enclosed
A structure chart is enclosed, but roles and accountabilities are not clear
A structure chart is enclosed and details number of staff and lines of staff management and accountability
A structure chart is enclosed but it is not clear that the staffing structure is suitable for this proposal
A structure chart is enclosed and demonstrates clear lines of staff and management roles and accountability

B.4. Ownership or management of asset

B.4.1. Has the organisation understood its responsibilities/liabilities if it were to acquire or lease these premises

The organisation does not have a clear understanding of responsibilities / liabilities if they were to acquire / lease the premises
The organisation has understanding of responsibilities / liabilities if they were to acquire / lease the premises but the following gaps have been identified (please state what these are)
The organisation has a clear and comprehensive understanding of their responsibilities / liabilities if they were to acquire / lease the premises

B.4.2. Has the organisation offered an explanation of how they propose to manage this asset on a day-to-day basis? NOTE may have provided a management plan

An explanation of how the asset will be managed on a day-to-day basis has not been offered
An explanation has been offered, but the management arrangements are not clear
A clear and convincing explanation of how the asset will be managed on a day-to-day basis has been presented

B.4.3. Has the organisation described the scope of any advice that they have sought and received from professionals in respect of this proposal (e.g. legal and financial advice)

B.4.4. Has the organisation chosen to append any advice you have received in respect of building or refurbishment work – e.g. feasibility study (it is the organisations choice)

The organisation has not described the scope of any professional advice they have received in respect of this proposal
There is some evidence that the organisation has sought advice on some aspects of the proposal – but the Assessment Review Panel has identified gaps (please state what these are)

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The organisation has sought and received relevant professional advice in respect of this proposal

The organisation has chosen to append advice that they have received in respect of this proposal but the Assessment Review Panel has identified gaps (please state what these are)

The advice received seems comprehensive and convincing

B.5. Capital Costs

B5.1. Has the organisation provided a costed plan for the acquisition (on sale or leasehold basis as appropriate) of this asset?

B5.2. Has the organisation demonstrated their understanding of the costs of repair/improvement/conversion to suit new purpose?

B5.3. Has the organisation included associated professional fees?

B5.4. Has the organisation provided a clear funding plan showing how they propose to meet these costs

NOTE the information should build on answers provided in Part A

The organisation has not considered capital costs and/or funding

The organisation has given some consideration to capital expenditure (which include professional fees) but has not developed costed and funded plans

The organisation has considered capital expenditure requirements (which include professional fees), has developed costed plans and anticipates using the asset as collateral to secure funding

The organisation has considered capital expenditure requirements (which include professional fees), has developed costed plans and has developed a detailed and secure funding plan

B.6. Revenue costs

B.6.1. Has the organisation identified the costs of activities to be conducted in the asset

B.6.2. Has the organisation identified the costs of activities to be conducted in the asset

B.6.3. Has the organisation provided cash flow forecasts

NOTE the information should build on answers provided in Part A

The organisation has given some consideration to revenue expenditure but has not developed detailed and funded budgets

The organisation has considered revenue expenditure in detail but has not developed funding plans

The organisation has developed cash flow forecasts but these are not realistic / convincing

The organisation has considered revenue expenditure and developed detailed and realistic expenditure and income budgets

B.7. Other resource needs

B.7.1. Has the organisation anticipated a difference between short term needs (asset transfer and development) and steady state needs? If so have they identified how these resources will be secured (NOTE - Resources might include:

- People
- Particular skills or knowledge /professional input
- IT)

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The organisation has identified further resources needed to enable asset transfer – but has not considered steady state needs

The organisation has not anticipated any difference between steady state and short term needs

The organisation has anticipated a difference between steady state and short term needs but the Assessment Review Panel has identified the following gaps (please state what these are)

The organisation has anticipated a difference between steady state and short term needs and has clear plans for dealing with this

B.8. Project Plan (Timescales) NOTE THE ORGANISATION WILL HAVE PROVIDED AN EXPLANATION OF TIMESCALES IN STAGE A – THIS SHOULD NOW BE DEVELOPED INTO A DETAILED PROJECT PLAN

B.8.1. Has the organisation provided a project plan for key stages of this proposal

B.8.2. Has the organisation identified any flexibility around this timetable?

An explanation of the timescales for this project has not been offered

An explanation of the timescales for this project has been offered, but this does not seem realistic or achievable

A clear explanation of the timescales for this project has been offered that appears achievable and realistic

B.9. Support from partners

B.9.1. Has the organisation secured further support for proposals from within XX Council

The organisation has not secured the further support of *XX Council* for this proposal
The organisation has secured a written statement of support of *XX Council Service / Directorate* for this proposal

B.9.2. Has the organisation secured the involvement of partners and B.9.3. what assurance has been secured that such partnership arrangements are sound and dependable?

The involvement of partners is not required for this proposal

The organisation has not secured the involvement of partners in this proposal

The organisation has secured the involvement of partners in this proposal, and this has been verified in writing by the partner organisations

The organisation has secured the involvement of partners in this proposal, and this involvement has been set out in a formal agreement between the parties

B.10. Further Risk analysis

B.10.1. Has the organisation provided further detail of risk analysis and

B.10.2. The steps that have / will be taken to mitigate those risks?

The organisation has not carried out a further risk assessment

The organisation has carried out a further risk assessment, but the proposals to mitigate risk are inadequate and the Assessment Panel review has identified the following gaps (please state what these are)

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The organisation has carried out a satisfactory risk assessment with clear proposals to mitigate risk

NOTE – The Assessment Review Panel should consult the CLG Guide: Managing Risk in Asset Transfer

Additional Information

The Assessment Review Panel will want to consider the additional information requested:-

- Community Consultation outcomes (if available)
- Structure Chart
- Asset management plan (if available)
- Evidence of Quality System (if applicable)
- Full notes version of Annual accounts (for each of the last 3 years)
- Project Plan (in support of section 5 – Timescales)
- Professional advice or Feasibility Studies (if applicable)
- Financial Plans
- Supporting statements from Council Service / Directorate (if available)
- Supporting documentation re partnership working (if applicable)