



# Provision of Interim Managers: Statement of Requirements

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## 1. Introduction

1.1 The Charity Commission for England and Wales is established by law as the regulator and registrar of charities in England and Wales. Our aim is to provide the best possible regulation of these charities in order to increase charities' efficiency and effectiveness and public confidence and trust in them.

1.2 The Commission is a non-Ministerial Government Department. It is part of the Civil Service. The Commission is independent of Ministerial influence and independent from the sector it regulates. It has a number of quasi-judicial functions where it uses powers similar to those of the High Court.

1.3 We register, oversee and advise charities on a variety of issues to help them run effectively and efficiently. We also look into allegations of mismanagement and misconduct, and have a range of powers we can use to bring them back on track. We regularly publish the results of our inquiries on our website to help other charities learn the wider lessons they illustrate.

1.4 We publish advice and guidance on our website, covering a wide range of matters such as entering into commercial partnerships, trustee recruitment, guidance on fundraising, reserve levels and political campaigning.

1.5 This document defines the objectives, scope and approach governing future Interim Manager (IM) appointments. It will be made available to all parties interested in registering on the IM regional directory, as IMs.

## 2. Objectives of the Interim Manager arrangements

2.1 The arrangements governing IM appointments reflect our regulatory stance and promote the strategic use of IMs in delivering outcomes tailored to the needs of charities.

2.2 Through the arrangements put in place we aim to:

- forestall major problems earlier or seek new approaches for earlier resolution;
- be proportionate in terms of potential loss to charity funds, danger to beneficiaries and damage to the reputation of charity;
- support the appropriate use of IMs in a wider range of case outcomes;
- incorporate a clear exit strategy for appointments, with measurable outcomes;
- demonstrate value for money through IM appointments.

2.3 Where IM appointments are made under the Charities Act 2011(the Act), to the exclusion of trustees, it will be to the minimum extent and duration necessary to achieve the desired outcome. In such cases, we would be expecting the earliest possible return to governance of the charity by competent trustees; this would include competent trustees to wind up a charity if the need arose.

2.4 To support the methodology, we carry out analysis of IM cases including, but not limited to:

- ongoing monitoring of live cases including exit strategies;
- maintaining central statistics and monitoring the effectiveness and integrity of individual appointments;
- undertaking a feedback and follow-up process at the end of each appointment.

## 3. Background to the Requirements

3.1 The Commission is authorised to appoint an IM under Section 76(3)(g) of the Act in any case where we are satisfied that there is, or has been, misconduct or mismanagement in the administration of a charity; or that it is necessary or desirable to act for the purpose of protecting the property of a charity or securing a proper application for the purposes of a charity of that property or of property coming to a charity. These powers may only be used where an inquiry has been opened under Section 46 of the Act..

**Misconduct** includes any act which the person committing it knew (or ought to have known) was criminal, unlawful or improper.

**Mismanagement** includes any act that may result in charitable resources being misused; in a charity's reputation being seriously undermined; or in the people who benefit from the charity being put at risk.

3.2 The principles of proportionality, affordability and conduct underpinning the procedures for the appointment of IMs are established in our operational guidance, whilst the principles of conduct between the Commission and the IM have been clearly defined in the [Code of Practice](#) as revised in October 2008.

3.3 The order to appoint an IM under the Act does not constitute a contract between the Commission (or the Charity) and the IM, nor does it create a legal right to remuneration

3.4 We will only appoint an IM where there is significant potential risk to charity assets and/or beneficiaries. The appointment may limit the IM to specific tasks or require him or her to administer the charity to the exclusion of the charity trustees (Section 78 (4)(a) and (b) of the Act refers). Charities and their problems can vary significantly in complexity and duration and so any appointment of an IM will be dependent upon the specific situation and the needs of the charity in question. In any event, we should always remain focussed on the potential outcome (exit strategy) of the appointment. Examples of the kind of issues that might give rise to the appointment of an IM are outlined in our [operational guidance \(OG5\)](#).

## Supervision of IMs

3.5 Regulations made under the Act authorise us to:

- require the IM to give security to us for the proper discharge of their functions;
- determine the IM's remuneration;
- allow the IM to draw remuneration out of the income of the charity; and
- to give notice where we are considering disallowing remuneration or removal from office or both, because the IM has:
  - failed to give security in the manner required; or
  - failed to discharge satisfactorily any function imposed on him or her, including the submission of reports.

3.6 The Regulations also prescribe the minimum periods at which the IM must report to us and the matters which the report must cover. We will stipulate the regularity (usually monthly) and format of reporting required prior to the appointment.

## 4. The Nature of Services to be provided

4.1 We have identified the operational areas where IMs are most likely to be used. These are shown below and are sub divided into specific categories with supporting examples.

### a) Specialist Sector Experience

- Care of animals
- Care of children and vulnerable beneficiaries
- Conduct of medical care or medical research

## Case examples

Charity A	Function of IM to take custody and control of and provide care and protection to the animals belonging to the charity. IM to inspect the condition of the animals and take actions fit for their care and protection
Charity B	Appointment of new trustees, appointment of new manager for the care home. Implementation of training and working practices to ensure registration with the local authority would not be cancelled; re-establishment of confidence of funders

## b) Legal, Financial and Administrative expertise

- Insolvency/dissolution
- Fraud/Sham charities
- The existence of past breaches of trust and the recovery of charitable funds
- Financial mismanagement/Lack of internal controls and
- Administrative failures/ conflicts of interest and private benefit/ lack of independence/ contract issues/ poor governance/ trustee disputes

## Case examples

Charity C	Disputes prevented charitable activities and over the years the charity drifted away from its objects. Charity's total assets were considered to be at risk. IM negotiated sales/ leases of unproductive properties. New scheme, governing document and body of trustees was essential to set the charity on proper footing
Charity D	Various signs of maladministration discovered, debt claims against charity property, breach of trust proceedings, large tax liabilities. Problems prevented charitable use of charity's fund to further the aims and objectives to the full. IM was appointed to wind-up the charity thus preventing misuse and abuse of charity's funds

## c) Trading & Fund Raising

- Charitable trading issues
- Management of fund-raising and control of associated costs

## Case examples

Charity E	IM investigated staff irregularities, reduced fundraising costs and corrected misallocation of costings. New trustees and CEO recruited. Fundraising costs reduced as a % of gross income. Accounts restated by a prior year adjustment
Charity F	Concerns over Trustee involvement in connected party transactions, trustee benefits, fund raising allegations, application of funds for non-charitable purposes. Poor reputation of charity. IM was able to establish an independent functioning trustee body. Cash flow problems necessitated the sale of property held on special trusts

## d) Other areas

- Anti-Terrorism
- Business planning/ advisory work to trustees

### Case examples

Charity G	IM to establish that funds are being used to further charitable activities and objects or if any funds have been applied for the benefit of any political organisation. Assess controls exercised by trustees over the affairs of the charity and methods used to send funds to beneficiaries
Charity H	IM appointed with full co-operation of trustees facing difficult decisions on the management actions necessary for continued delivery of the charity's objects

4.5 Providers are invited to demonstrate their strengths, background experience and qualifications for each category (or combination of categories), together with details of how their skills and experience has been applied, in accordance with section 6. Demonstrated expertise may include the following:

- Qualified animal welfare specialist with a minimum of three years experience
- Welfare and Medical specialists with a minimum of three years experience
- Accountant with a minimum of 5 years experience and a charity client base
- Surveyor with 5 years experience
- Lawyer with a strong track record of delivery (sale of land, complex litigation, negotiating skills)
- Insolvency practitioner with at least 5 years experience
- Member (certified) of the Institute of Fund Raising Managers or similar with minimum three years experience
- Five or more years experience of best practice application within the charity sector and familiarity with the issues facing trustees
- Individuals with previous experience of work for Umbrella Bodies
- Experienced business manager with a proven track record in business administration and projects

## 5. Interim Manager Operations

### Number of Interim Manager Providers per Category

5.1 The number of IM providers has deliberately not been predetermined. This is because the regularity of IM cases cannot be reliably predicted, and the number will be an outcome derived from:

- providers evaluated as offering best value for money; and
- the degree of specialism and regional presence offered by responders.

5.2 To encourage providers to consider their particular strengths and specialisms, you may compete for a **maximum of nine** operational Categories. Equally, providers may indicate that they wish to be considered for one Category in one regional area. Those who wish to apply for more than one Category should ensure that this is reflected in their experience and expertise (see [section 6](#) for further details). Please refer to the table in [section 13](#).

## Geography

5.3 The Commission intends to appoint region-specific providers to:

- secure coverage and accessibility throughout England and Wales;
- maximise value for money opportunities for charities; and
- recognise local and national IM capabilities and expertise.

5.4 In addition to the operational Categories, providers must be prepared to offer services covering a **minimum of one** regional area, and to undertake the travel associated with a particular IM case.

The regional areas are those defined by the Government Office for the Regions and include Wales.

- (NE) North East England
- (NW) North West England
- (Y&H) Yorkshire & The Humber
- (EM) East Midlands
- (WM) West Midlands
- (EA) East of England
- (LO) London
- (SW) South West England
- (SE) South East England
- (WA) Wales

## 6. The Evaluation Process

6.1 To establish the directory of approved providers appropriate for each operational Category, evaluation will be undertaken in two stages:

**Stage 1** will consider eligibility, overall capability and expertise, regional representation and value for money.

**Stage 2** will require agreeing and signing the governing Code of Practice.

6.2 In stage 1, interested providers should present evidence as to their capability and expertise to provide the services for each operational Category identified in [section 4](#) for which they are competing and the regional coverage that would apply.

6.3 Assessment of each proposal will consider:

- Eligibility<sup>2</sup>/ineligibility<sup>3</sup>
- Overall capability: experience and expertise (75%) and management capability (25%)
- Regional representation
- Value for money

### (i) Eligibility

Providers must declare and detail any circumstance which may result in embarrassment to the Charity Commission when acting in its regulatory capacity to appoint IMs, in keeping with sound professional practice.

### (ii) Overall capability

## Evaluating Experience and Expertise

### Evaluation of CVs

6.4 A provider's experience and expertise is, in effect, the experience and expertise of the individuals currently working for that provider. For these reasons, the assessment of a provider's experience and expertise will be based on the identification and assessment of "key individuals" working for that provider.

6.5 Providers are invited to propose key individuals for each category in which they wish to compete. Assessment will examine:

- The CVs of key individuals
- References, provided by existing or former clients, of work with which the provider's key individuals were involved - either directly or in a supervisory capacity.

A provider's score for experience and expertise will be weighted 80% on CVs and 20% on references.

6.6 Providers should provide the details for a maximum of 4 key Individuals per category. Individuals' experience and expertise may be appropriate to more than one category. Providers should support their proposal with two references for each operational category.

6.7 It is not expected that all work will necessarily be undertaken by a provider's key individuals. This would be clearly unrealistic and would not necessarily be appropriate in ensuring good value for money. However, the presence of the key individuals is taken as evidence that the requisite levels of experience and expertise exist within that provider and that individuals working on IM matters will have access to the knowledge and skills of these key individuals.

### Concepts of Depth and Breadth

6.8 We recognise that each operational category may incorporate a number of professional disciplines. Considering this, a provider could have experience and expertise in two different ways:

- having a particular strength in a limited number, or just one, of the various professional disciplines associated with a category. Such a provider would be particularly useful for a case that calls for highly specialist expertise on a charity issue;
- having overall strength in many of the professional disciplines associated with an IM case.

The relative 'value' of each provider would be dependent on the specific situation and requirements of each case.

For any given category, a provider's expertise and experience will be considered to be a combination of two elements:

- (i) **Depth** - the extent to which a provider can cite one (or more) individual(s) with outstanding expertise and experience within that category.

For each category a provider should identify the professional skills where it believes it has particular depth of experience and expertise.

- (ii) **Breadth** - the extent to which a provider's individuals can collectively demonstrate expertise and experience across many of the identified categories.

6.9 It should be noted that both breadth and depth are measures of capability not of capacity. Neither breadth nor depth includes an assessment of the number of individuals that a provider could make available for IM work.

## The Evaluation of CVs

6.10 The CVs of the key individuals supplied will be used to make an assessment of the depth and breadth of the experience and expertise within an IM provider, for each Category.

In making this assessment, the following criteria will be taken into account:

- Years of experience on relevant matters and track-record
- Demonstrable experience of working for charity and public sector clients (preferable) or for other corporate clients, and understanding of the issues faced by charity trustees
- Demonstrable experience of assignment or project based work
- Demonstrable expertise in specific areas of the law
- Professional qualifications and/or recognition/awards and publications.
- Any other relevant indicators

6.11 CVs should be set out in the format specified in [section 9.2](#) of this SoR.

## The Evaluation of References

6.12 References will also be used as an assessment measure of a provider's experience and expertise. References can be from current or former clients, but should be for work in which the named key individuals were involved.

6.13 For each reference a short narrative (not more than 200 words) should be supplied, providing an overview of the work undertaken.

6.14 Providers should seek the agreement of a referee to provide a reference before submitting details in their proposal. Providers should verify that the named referee(s) should be contactable (by phone) during the application period.

6.15 Referees will be contacted and asked to answer a short series of questions. They will first be asked to confirm that the narrative supplied by the provider is accurate.

6.16 The referee will then be asked to express levels of satisfaction under the following headings:

- Provider's understanding of the case requirement, and the relevance of the advice given and actions taken
- Responsiveness to the parties involved
- Ability to engage with clients' representatives



- Accuracy and timeliness of progress reporting and billing arrangements

Any additional information provided by the referee may also be taken into account in scoring a reference.

6.17 The scores for individual references will be averaged to give the score awarded to a provider for a given Category.

6.18 All information provided in a provider's proposal, together with information provided by referees, will be treated in strict confidence.

## Evaluation of Management Capability

6.19 A provider's management capability represents the extent to which its operational environment enables its personnel to work most effectively on appointment.

6.20 The information to be provided is set out as a series of requirements, each representing an issue. In their proposals, providers are demonstrating how effectively they manage an issue.

6.21 Requirements are classified as mandatory (M) and highly desirable (HD) to indicate their relative importance in evaluation

## Staff Management

M1 Providers must explain how the number and types of matters being undertaken by individuals are monitored to ensure they are within his or her capacity in terms of experience, expertise and workload. Providers must also set out how they manage situations in which a sudden influx of work is received.

M2 Providers must ensure that individuals have ready access to legal reference and regulatory material relevant to work they might undertake as part of an IM appointment, and that they receive timely information about any relevant changes in regulatory policy, practice and the law.

## Case Management

HD Providers should ensure that named key individuals guide and assist others working under their supervision and describe how this will be achieved.

M3 Processes must be in place to ensure that appropriate action and advice is being applied (such as case reviews) and that necessary corrective action is identified and enacted promptly.

M4 Comprehensive processes must be in place to ensure identification of conflicts of interest.

M5 Providers must ensure that effective cover is provided to IM appointments in the event that individuals working on a case are unexpectedly absent, for example during sickness absence.

## Office Management

M6 Providers must be able to accept communications via all ordinary modern day media, including fax and email.

M7 Comprehensive procedures must be in place to ensure proper standards of document management. Providers must be able to identify and trace all documents, correspondence and other information relating to IM work and ensure that these are properly stored and readily accessible.

M8 Providers must have a system in place to ensure that time recording and billing is accurately recorded and attributed, and must describe how this is verified.

## Preparation of Proposal

HD Providers should prepare their proposal in accordance with this SoR [section 9](#), particularly with regard to the order in which information is presented.

## 7. Fees, Disbursements and Expenses

7.1 The charging structure under these arrangements will be split into Interim Manager fees, Interim Manager disbursements and Professional expenses.

- Interim Manager fees are the charges for the professional services provided during the appointment.
- Interim Manager disbursements are sums of money spent by the provider on behalf of the charity.
- Professional expenses are additional costs that would have been incurred by trustees as if they were in the office (e.g. estate agent's fees on sale of property or legal fees pertaining to administration of the charity).
- Routine office administrative costs (e.g. telecommunications) to provide the service will be considered a normal part of provider's overheads, and will not be chargeable to the charity.

### Fee and Discount Structures

7.2 It is understood that certain professional services typically attract fees on the basis of the time spent by the individual working on the case. Other appointments might typically attract a fixed fee, or a fee which is some fixed percentage of the value of protection being overseen on trustees' behalf.

7.3 In preparing their proposals, providers should propose a structure for their fees and discounts. At this stage, providers should not quantify the actual fees they would charge or discounts they would offer in their proposal. Instead they should propose a structure against which fees and discounts could later be submitted.

For example, providers should indicate:

- The charging bands they would wish to see applied to hourly rates based on seniority and specialism, with appropriate definitions.
- The services against which they would wish to charge a fixed fee or fixed percentage fee (e.g. certain property related legal services).
- The types of fee discount structures they would propose to offer, and an indication of when such discounts would be applied.
- The time period they would wish to see applied to fee variation arrangements (creating in effect, an understanding equivalent to a Standing Offer).

7.4 The evaluation panel will compare the fee and discount structures proposed by providers and determine value for money offered.

7.5 Providers should note the IM appointment procedures at [section 12](#) which indicate that IM providers will be asked to submit offers specific to particular cases when a more in depth value for money evaluation will take place. Prices submitted at this stage are understood to be indicative.

7.6 An [Example Fee and Discount Structure \(PDF\)](#) is shown in Annex A. This is provided for illustrative purposes only.

## 8. Evaluation timetable

8.1 The expected timetable to undertake this competition is set out below. Short-listed providers can expect to be notified in December 2008.

Stage 1 Submission and Evaluation of Proposals	
Providers responding to the information notice and advert will be sent the Statement of Requirement (SoR)	As soon as request is received
Interested providers should submit a proposal in response to the SoR	Closing date 14 Nov 2008
Proposals will be evaluated	Between 17 Nov to 5 Dec 2008

Stage 2 - Submission and Evaluation of Final Offers	
Successful providers will be invited to sign the Code of Practice and will be entered on the approved IM directory	12 Dec 2008

## 9. Submission of proposals

### 9.1 Format of Proposals

Proposals must be prepared according to the structure specified below:

#### **Section 1 of Proposal: Introduction and Point of Contact**

This short section should form an introduction to the proposal and provide the name and contact details of the person to whom all communications concerning the proposal should be addressed.

#### **Section 2 of Proposal: Overview of IM Provider**

This section should provide a brief overview of the provider and its activities.

#### **Section 3 of Proposal: Ineligibility**

In this section providers must declare any circumstances with the potential to cause embarrassment to government clients, as described in [section 6.3](#) of this SoR. Information of a sensitive nature may be supplied as separate sealed document if appropriate, but must be clearly referenced within the proposal.

#### **Section 4 of Proposal: Categories of Interest**

This section should specify for which of the twelve Categories a provider is competing.

For each Category, a proposal should set-out the following information in order:

- The name of each proposed key individual;
- An overview of the number of personnel working for the provider on matters relating to the Category with a breakdown of seniority and experience;
- A list of the professional disciplines within each Category for which the provider has experience or expertise ('breadth'); and for which the provider has particular experience and expertise ('depth'). This will be verified against the information listed in the key individuals' CVs;

- The CVs of each key individual (in the format specified below);
- Two references, each with short (150-200 words) descriptive narratives, and referee contact details (including telephone and e-mail);
- Details of the proposed fee and discount structure for services in the relevant category; and
- Indication of the remuneration packages (detailed in [section 7.2](#)) supported by the provider.

9.2 The CVs of key individuals should be set out according to the following structure:

- Name;
- Academic Background;
- Years of experience in matters relevant to the category (or categories) in question;
- Evidence of experience of working with charity (preferable) or corporate clients and sector regulators - and evidence of an understanding of the issues faced by such clients;
- Evidence of assignment/project work;
- Additional evidence of expertise in specific areas of regulation and the law;
- Professional qualifications and/or recognition/awards and publications; and
- Any other relevant indicators of experience and expertise.

9.3 Where an individual is a key individual in more than one category it is not necessary to submit multiple CVs, but the relevant information should be cross-referenced within the proposal.

9.4 Providers should note that simply providing an individual's standard CV will not necessarily communicate all relevant information, nor be in the prescribed format.

## **Section 5 of Proposal: Management Capability Information**

9.5 This section should set out a provider's responses, in order, to each of the requirements listed in [section 6.21](#) of this SoR.

9.6 Please note that a simple statement that a particular requirement will be met is not in itself sufficient. Such responses, or responses which are ambiguous, may be taken as failing to meet the requirement. Detailed information regarding how, when and to what extent a requirement can be met must be provided. Furthermore, if any requirement or part of a requirement cannot be met, this must be stated explicitly. Providers should also note that failure to satisfy any mandatory requirement will form grounds for disqualification of a provider from the competition.

9.7 Providers may elect to bid for up to nine of the twelve operational categories laid out in [section 4](#). Information provided on management capability is likely to be common to all categories. In instances where additional management capability information is provided which is specific to certain categories this must be clearly stated as part of the response to the requirement in question.

## Annex 1 of Proposal: Children and Vulnerable Beneficiaries (where applicable)

9.8 Providers bidding for categories involving children and vulnerable beneficiaries should indicate their agreement for key individuals to complete the necessary regulatory checks. This may involve providing individuals' dates of birth.

## Annex 2 of Proposal: Bonds

9.10 Providers should indicate the extent and coverage of existing professional indemnity arrangements.

### Details for the submission of Proposals

9.11 Completed proposals should be addressed to:

IM08 - IM Evaluations Team  
C/o Contracts and Procurement Unit  
Woodfield House  
Taunton  
Somerset  
TA1 4BL

9.12 One hard copy of the proposal in paper form on A4 paper must be provided as well as an electronic copy in MS Word by [email](#) or compact disc could also be supplied.

9.13 Providers should note that proposal evaluation will be based entirely on the information and evidence provided within proposals and supplied by the specified referees. Undocumented factors such as 'reputation' or 'standing' will not be taken into account. Providers must therefore ensure that, in preparing their proposals, they provide all the information against which they wish to be assessed.

9.14 Providers will not, under any circumstances, be short-listed unless they submit a valid proposal within the specified timescale.

9.15 This SoR is provided to interested IM providers in strict confidence. Providers should use the information contained within this SoR solely for the purposes of considering their proposals. Providers should not share information on the contents of this SoR with any third parties and should not disclose to any third parties that they are in receipt of this SoR. If they decide to submit a proposal in response to this SoR, providers should not share this fact with any third parties.

For queries regarding the IM requirements, or relating to proposals, please email : [procurement@charitycommission.gsi.gov.uk](mailto:procurement@charitycommission.gsi.gov.uk)

## 10. Confidentiality

All information provided by providers in their proposals will be treated in strict commercial confidence. The information within a proposal will be used solely to evaluate the value for money offered by a provider, and not for any other purpose. Proposal information will not be distributed beyond the Commission's evaluation team. All officers in receipt of proposal information will be made aware of their responsibilities to maintain strict confidence.

## 11. Waiver

11.1 We reserve the right not to proceed with new IM arrangements as the result of this competition.

11.2 The information contained in this SoR concerning the requirements and business activity of the Commission is the best available at the time of issue. Whilst every effort has been made to give an accurate description of the requirements, providers should form their own conclusions about the methods and resources needed to meet them. We provide a contact for clarification of any points in this SoR and cannot be responsible for providers' assessment of the service.

## 12. Appointment Procedures

12.1 Directory information containing details of approved providers and intermediaries operating under each service and regional category will be made available to staff through the Commission's intranet. In addition, a full list of IM providers will be published on our website.

12.2 Panels led by an inquiry case manager will prepare terms of reference for the proposed appointment, setting out the precise circumstances of the case and the IM requirements, including desired timescales for delivery. Terms of reference will usually include a proposed funding regime – although there may be instances where case managers will refer to the potential provider for the basis on which they would charge.

12.3 Case managers will determine the operational category of the case requirement (as laid out in [section 4](#)) and consider any regional variations that may apply. For matters that cut-across operational categories, Case manager panels will select the category that represents the chief concern or priority risk determined by the case, or could select more than one category.

12.4 Case managers will then consider which provider offers the best value for money appointment for the Charity concerned. The case manager may:

- choose a single provider to receive the terms of reference based on information held within the published directory. In this circumstance, the case manager will record the reasons for single selection. The provider will be asked to submit a proposal for the specific case, based on the governing Code of Practice;

The provider's proposal would set out the individual(s) that would be made available to undertake the work and explain how they would anticipate fulfilling the case requirements. It is likely that a preliminary interview will be held prior to final appointment; and

- consider the information contained in the directory and hold a competitive exercise between suitable providers. Each provider would be invited to submit a proposal for the specific case based on the governing Code of Practice. At this stage, the case manager panel would wish to interview nominated individuals from each provider. There may be particular circumstances where the case manager panel would elect to invite providers from more than one operational category to participate.

12.5 The case manager panel will evaluate the proposals in light of the interviews to determine which provider offers the best value for money for the case. If, in the panel's opinion, insufficient value for money is evidenced by any of the proposals, they may elect to re-run the competitive exercise or adjust the case management strategy.

12.6 In preparing a costed proposal for a specific case - providers could elect to offer lower rates and may be asked to factor these in combination to form a suitable remuneration package to meet the charity's needs, including:

- fixed inclusive fee (including disbursements and expenses);
- quantum merit with a VAT exclusive remuneration cap;
- a percentage of net amounts recovered or protected with a VAT exclusive remuneration cap;
- a combination of these including incentive based remuneration<sup>4</sup>;
- fee exempt (for cases of a particular nature or status);
- evidence of sufficient professional bonding to cover case liabilities e.g. fidelity bonds, or evidence of extended professional indemnity cover.

12.7 Following appointment, cases will be managed in accordance with [Section 3](#)

## 13. Table of Regions and Categories

Regions:	Categories:
(NE) North East England	Care of animals
(NW) North West England	Care of children/vulnerable beneficiaries
(Y&H) Yorkshire & The Humber	Conduct of medical care or research
(EM) East Midlands	Insolvency/dissolution
(WM) West Midlands	Fraud/Sham charities
(EA) East of England	The existence of past breaches of trust and the recovery of charitable funds
(LO) London	Financial mismanagement/lack of internal controls
(SW) South West England	Administration failures/conflict of interest and personal benefit/lack of independence/contract issues/poor governance/trustee disputes
(SE) South East England	Charitable trading issues
(WA) Wales	Management of Fundraising & control of associated costs
	Anti-terrorism
	Business planning/ advisory work to trustees

	NE	NW	Y&H	EM	WM	EE	LO	SW	SE	W
1										
2										
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## 14. Glossary of Terms

Category	The twelve areas of service provision under the new arrangements. Providers may elect to compete for a number of categories, and will be evaluated separately for each.
Evaluation Team	Authorised representatives of the Charity Commission undertaking evaluation and selection of the IM competition.
Experience and Expertise	An evaluation of the skills, knowledge and abilities of the individuals working for a provider.
IM	Interim Manager.
Key Individuals	The individuals identified within a provider's proposal as having strong experience and expertise in the provision of services under a given category.
Management Capability	An evaluation of the extent to which a provider's operational environment provides its personnel with the ability to provide quality and responsive service.
Overall Capability	An evaluation of a provider's ability to provide services in a quality, effective way.
Proposal (1)	The document that interested providers are invited to submit in response to this SoR.
Proposal (2)	The document that one or more specific provider(s) might be invited to submit in response to a specific charity case.
Requirement	An issue which a provider must detail their approach to within their proposal.
SoR	Statement of Requirements (this document).
Stage 1	The first stage of the competition to establish the new arrangements, in which proposals are submitted by interested providers and evaluated by the evaluations team.
Stage 2	The second stage of the competition to establish the list of Approved Providers in which providers are invited to sign the Code of Practice.
Standing Offer	The maximum fees that may be applied to individual appointments over a fixed period of time and within a common fee structure.

- [Fee and Discount Matrix - Annex A \(PDF\)](#)



## Footnotes

1. In the majority of cases the reason for the appointment will determine the exit strategy.
2. Where charities have vulnerable beneficiaries, the Commission may require individual checks to be satisfactorily completed in conjunction with the Criminal Records Bureau and Police records.
3. Providers may be deemed to be ineligible if there is evidence of previous professional negligence or misconduct. Other circumstances might include bankruptcy, previous convictions for criminal offences of violence or dishonesty; or findings of direct discrimination on the grounds of sex, race or disability. Such matters extend to the circumstances of sole traders, individual partners or Directors of a provider.
4. An interim manager is required to act in the best interest of the charity in a wider context when considering protections for existing and future beneficiaries.