

CLT Organisational Health Check

Good governance and community engagement are the foundation stones for what makes CLTs run effectively. They underpin getting your ambitions delivered, without burning out along the way, and are what will keep organisations sustainable in the long term.

The CLT Organisational Health Check is a self-certification exercise which we hope will help you identify your CLT's strengths and weaknesses in a number of areas, including finance, diversity and community engagement. It is not intended to be a stick to reprimand failure; instead we hope it will be a really useful tool to help you assess where your organisation is working well, and where it has room to improve.

There are 6 different areas to look at: your legality, ethos, governance, finance, local ownership and long term stewardship. In each category, you'll be taken through a number of indicators of good governance, and invited to judge whether you meet the standard indicated.

We have included hints and tips in our guidance notes throughout, and occasionally links to other sources of support. Much of this you will also find through our CLT Handbook, our A-Z on forming and running a CLT.

We recommend that you work through this exercise as a CLT Board or steering group; you can go into as much or as little detail as you like, but it is often helpful to hear a range of opinions on how you are doing. Much of what the Health Check is designed to test is how well you work as a group – something which it is hard to assess on your own! In some cases, you might find it helpful to look more widely, for example to ask your stakeholders whether they feel involved enough in what you are doing. Keep a record of your findings, and take note of any points for improvement; it can be encouraging to revisit the exercise periodically and track improvement.

We hope you'll get a lot out of this. If you wish to discuss any of your findings, or would like further information about the Health Check and how to conduct it, please don't hesitate to contact us and we would be happy to talk it through with you.

Good luck!

Hannah Fleetwood
Programme Manager
E: Hannah@communitylandtrusts.org.uk
T: 020 3764 1840

The original Organisational Health Check was developed by the Development Trusts Association in 2008 as the "Fit for Purpose" tool. A huge thank you to Locality for allowing us to adapt this resource.

1) LEGALITY

Indicator	Guidance	Rating Notes
The organisation can demonstrate that it is a Community Land Trust within the definition of a CLT as set out in Section 79 of the Housing and Regeneration Act 2008.	Key provisions to consider include whether the organisation's legal structure demonstrates: <ul style="list-style-type: none"> - An intention to benefit the local community - A robust asset lock - Reinvestment of profits in the local community - Control by membership - Open membership (to anyone who lives or works in the area of benefit) 	<input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet Notes:
The organisation is registered as an appropriate legal entity (IPS, charity, etc.)	The most appropriate legal forms for a CLT are: <ul style="list-style-type: none"> - Community Benefit Society (with a statutory asset lock) - Community Interest Company (CIC) Ltd by Guarantee - Company Limited by Guarantee with Charitable Status. 	<input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet Notes:

2) ETHOS

Indicator	Guidance	Rating Notes
The CLT is committed to providing permanently affordable housing to be made available to local people.		<input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet Notes:
The CLT is committed to being an active member of the National CLT Network.		<input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet Notes:
The CLT is committed to considering how it can be a vehicle for acquiring other assets important to the community or addressing other needs within the community.		<input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet Notes:
The CLT is committed to being led by local people and accountable to local people		<input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet Notes:

3) GOVERNANCE

Indicator	Guidance	Rating Notes
<p>The CLT has clear aims. It has identified its community of benefit.</p>	<p>What is your organisation seeking to achieve?</p> <p>Who benefits from this?</p> <p>How is this understood by all concerned?</p>	<p>O Met O Partially Met O Unmet</p> <p>Notes:</p>
<p>The CLT's mission and aims are appropriate to local need</p>	<p>How did you decide on your mission and aims? Have you carried out any community consultation or sought evidence of need?</p> <p>Do you review your mission and aims periodically to see whether they are still relevant?</p>	<p>O Met O Partially Met O Unmet</p> <p>Notes:</p>
<p>The CLT has held public meetings to consult and inform the wider community, and also general meetings of the members to involve the membership (as CLTs are member led organisations).</p>	<p>The CLT Handbook contains guidance on running an effective public meeting. A few things to consider include:</p> <ul style="list-style-type: none"> - Who is attending? Are there any key groups of people who you are not managing to meet, for example because of timing or accessibility issues. Some CLTs have used a "buddying" system to engage harder-to-reach individuals or groups - Do you record discussion, through minutes or some other method and make your record available afterwards? - Do you give adequate notice or publicity, and host the meeting at a convenient time for your audience? 	<p>O Met O Partially Met O Unmet</p> <p>Notes:</p>
<p>The organisation's governing documents prevent personal profit being made by members of the Board.</p>	<p>Does the organisation's 'constitution' prevent Board members profiting from their involvement in the organisation?</p>	<p>O Met O Partially Met O Unmet</p> <p>Notes:</p>

<p>The CLT follows clear procedures to manage conflicts of interest amongst the Board.</p>	<p>Do Board members understand what would constitute a conflict of interest?</p> <p>Do you have a Register of Interests, and written procedures for managing conflicts of interest?</p> <p>Are these procedures known and followed?</p>	<p><input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet</p> <p>Notes:</p>
<p>The make-up of the Board reflects, in as far as it is possible to do this, the mix of the community it serves.</p>	<p>Factors to consider might include:</p> <ul style="list-style-type: none"> - Gender - Age - Ethnicity - Background (religious, socio-economic etc) <p>If your Board does not really reflect the makeup of your community, why not? Are there any barriers to joining, or steps you could take to engage better with underrepresented groups?</p> <p>It may be that certain groups do not have the time or experience to serve on your Board. Are there other ways you could involve these groups?</p> <p>This is also a good question to ask of your wider membership.</p>	<p><input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet</p> <p>Notes:</p>
<p>The Board have received guidance or training as to their responsibilities as directors/trustees.</p>	<p>There are a number of sources of training support. Your local Council for Voluntary Services (CVS) may well offer free training and resources. You could also try asking a local voluntary organisation to offer you some free support.</p> <p>Do you conduct regular (annual) appraisals of your trustees/directors? These should be conducted with the Chair, ideally on a one-to-one basis, and should cover any areas of concern, questions or areas for development, as well as identifying any skills which you could use better within the Board.</p>	<p><input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet</p> <p>Notes:</p>

<p>The Board contains an appropriate mix of skills and experience.</p>	<p>Have you carried out a skills audit? Are there any key skills you are missing? What steps have you taken to fill these gaps?</p> <p>Some missing skills can be bought in from elsewhere as and when you need them, others are more fundamental and you should look to have these skills permanently represented on your Board.</p> <p>Is there anyone on the Board who is not bringing any relevant skills or experience? Could their time be better used in another way?</p>	<p><input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet</p> <p>Notes:</p>
<p>The CLT shares documents and information between the Board appropriately.</p>	<p>It's easy to forget the simple stuff: do you regularly back up your important documents, or have good practice in sharing documents between the right Board members?</p> <p>If individual Board members work independently on certain things, do they have a clear remit and report back to the whole Board?</p> <p>Online filesharing, such as a group Dropbox or Google Drive account, can be a really helpful way to share documents without filling everyone's inbox.</p>	<p><input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet</p> <p>Notes:</p>

4) FINANCE

Indicator	Guidance	Rating Notes
The CLT has written financial procedures for bookkeeping, expenses, petty cash etc. with checks and balances to avoid misuse of funds which are regularly reviewed.	How are the financial responsibilities allocated to staff and Board? Bear in mind, the Board has ultimate responsibility to ensure that there are adequate operational controls in place for all financial processes? Does this responsibility rest with just one person, or is it shared?	O Met O Partially Met O Unmet Notes:
The CLT returns a full set of accounts each year to the appropriate regulatory authority for your type of organisation (FCA, Charity Commission, etc.)		O Met O Partially Met O Unmet Notes:
The CLT has a financial plan which includes figures of past, present (where appropriate) and projected performance including any start up costs, profit-loss statements, cash flow analyses and balance sheet data and accurate breakeven projections.	The CLT Financial Appraisal Toolkit (see www.communitylandtrusts.org.uk) can help with projecting your cash flow and financial viability for a new-build scheme.	O Met O Partially Met O Unmet Notes:
The finances of the CLT are being pro-actively managed.	Do you have an agreed budget for the year, against which income and expenditure are regularly reviewed? Are management accounts presented regularly to the Board?	O Met O Partially Met O Unmet Notes:
The CLT can demonstrate that any surpluses generated by the organisation and any trading subsidiary are used for community / public benefit or re-invested back into the organisation.	Can you point to a clause within your governing documents which set this out?	O Met O Partially Met O Unmet Notes:

5) LOCAL OWNERSHIP

Indicator	Guidance	Rating Notes
The CLT is open to membership from anyone within the community who lives or works within the CLT's defined area of benefit.	If you meet the statutory definition of a CLT (see above) you should be able to demonstrate this.	<input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet Notes:
The CLT is member led and accountable to local people in the area of benefit.	<p>The governing document of the CLT will set out how the CLT is accountable to the members (this is usually done through electing a Board from the members to lead the CLT).</p> <p>How easy is it for members and others to find out about how the organisation is run? For example, do you make minutes of meetings available? Would you welcome members observing your Board meetings?</p>	<input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet Notes:
The CLT has a clear and responsive procedure in place for replying to membership and general enquiries about the CLT.	Who is responsible for this? Is it just one person or do you share the task?	<input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet Notes:
The CLT proactively seeks out new members and opportunities to publicise its good work, such as through the press.	Some CLTs find it helpful to appoint a dedicated "press officer" within their Board to help with this.	<input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet Notes:
The CLT and the Board keeps all its members (and where possible the wider community) informed of its activities and welcomes and acts upon input from the community.	<p>Do people know how to get in touch with the CLT?</p> <p>Do you have a range of ways for people to contact you?</p>	<input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet Notes:
The CLT is committed to putting on, where possible, community orientated activities prior to housing completion – such as community-led design, Planning for Real, meanwhile uses and		<input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet Notes:

community open days.		
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6) LONG TERM STEWARDSHIP

Indicator	Guidance	Rating Notes
The CLT has a plan for routine, cyclical and longer-term maintenance, and makes financial provision for these costs.	<p>Who is responsible for maintenance (practically, legally and financially)? If responsibility for this is delegated to an external party, do you have a legal agreement to back up this arrangement?</p> <p>Is it clear to residents who is responsible and how to raise a maintenance request?</p> <p>Do you have a “maintenance fund” kept separate from your general reserves or contingency?</p>	<p><input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet</p> <p>Notes:</p>
The CLT financial plan includes provision for voids and bad debts.		<p><input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet</p> <p>Notes:</p>
The CLT has a clear allocations procedure.	<p>A good allocations procedure should cover the decision-making process for allocating your homes as well as the criteria for deciding eligibility.</p> <p>Do you have clear, objective criteria for allocating homes?</p> <p>Is there possibility for applicants to appeal or challenge a decision?</p> <p>Is the allocations policy publicly available for potential applicants to see?</p>	<p><input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet</p> <p>Notes:</p>
There are opportunities for residents to be involved in the running of the CLT	<p>Is there provision for residents to be represented on the Board of the CLT?</p> <p>Do you carry out any community events involving residents?</p>	<p><input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet</p> <p>Notes:</p>

<p>The CLT has adequate data protection policies.</p>	<p>What sensitive data do you collect from your residents or applicants? Who has access to this information and when? How securely is this information stored?</p>	<p> <input type="radio"/> Met <input type="radio"/> Partially Met <input type="radio"/> Unmet Notes: </p>