Checklist - Appraisal

This checklist sets out:

- **the key areas that should be considered/included in an appraisal (it is a comprehensive list and only those elements relevant to your funding programme should be included)**
- **assessment approaches and methods**
- **recommendation and approval requirement**

The appraisal approach and the level of assessment undertaken should be proportionate, taking into account the value of the grant and the nature of the grant programme and/or individual proposal.

Desk instructions/guidance should be in place for appraisal officers, which should cover all the processes and procedures to be followed, including the requirement for an audit trail of the appraisal, recommendation and decision.

KEY AREAS		
Due diligence checks	It is important that grant funding only goes to External Bodies that are fit to receive public money. This is done by undertaking 'Due Diligence' on the External Body to identify any concerns, risks or issues, before making a decision to award a grant or make a payment, in order to avoid exposing the Welsh Government to potential financial loss, fraud or reputational damage. Information about External Bodies (and key individuals) also needs to be shared across Welsh Government, where appropriate, by using the Due Diligence Hub on the Finance Desktop. As part of the Grants Centre of Excellence (GCoE), a Central Due Diligence (CDD) Team has been set up to undertake corporate 'health checks' against External Bodies which Welsh Government directly funds or is considering funding. Separate guidance and checklists are available on due diligence please visit the Due Diligence intranet page	
Eligibility criteria	Check that all eligibility criteria have been met, including, as appropriate: • type of external body • location of proposed activity • type of activity and expenditure • level of funding required (e.g. must be within a maximum amount or maximum % of eligible costs) • UK Subsidy Control requirements (in relation to the proposed activity, related costs etc.)	
Compliance with funding programme criteria	Consider any programme specific requirements, and the extent to which they have been met e.g.: • must be a financially viable business with a satisfactory balance sheet (e.g. private sector capital grant) • must have local authority support or have engaged with stakeholders (e.g. funding to 3rd sector organisations) • project must have a high level of technical risk (e.g. Research & Development grant)	

Aims, objectives, outcomes & constraints	Assess: • aims and objectives (has the external body stated what it wants to achieve?) • likelihood of aims and objectives being met • how achievement of objectives will be measured and are these appropriate? • how expected outcomes will help achieve policy objectives • constraints, risks posed by them, whether they are acceptable & proposed actions to mitigate their effect	
Evidence of the need for the proposed activity	Assess: • information & evidence provided by the external body (e.g. any information from stakeholder engagements, analysis of deficiencies in current social provision, evidence of interest from potential customers) • any other available evidence (e.g. market reports, Local Authority strategic plans)	
Implementation of the proposal	Consider: • whether the proposed activity is in line with standard/core activities (and if they are not, what are the risks?) • can proposed activities be delivered and outputs achieved using the resources proposed (e.g. staff, accommodation, finance) • proposed measures to ensure successful delivery, including proposed mitigation measures for any risks identified • how successful delivery will be measured	
Management Arrangements	Consider: • the management team's capability to successfully deliver the proposed activities • whether the team would need to be strengthened in any particular area (e.g. finance) • UK General Data Protection Regulations (UK GDPR) requirements should have been considered for the grant programme in relation to any personal information that is provided e.g. CVs. If this is not the case, contact the Grants Centre of Excellence for advice.	
Technical & commercial aspects of proposal	Where these are key to the success of the proposal, assess: • information & evidence provided by the external body • any other available evidence (e.g. from our library/internet) • any expert advice obtained	
Evidence of need for funding support (including Payment in advance)	Assess: • information & evidence provided by the external body in support of the need for funding • whether the level of funding requested is justified If Payment in Advance (PIA) has been requested: • assess the information/evidence provided to determine whether the need for PIA has been demonstrated	

Additionality & displacement	Consider what is going to be provided that is additional to what would be provided without any grant assistance. Consider whether, without the funding, the external body would: • be unable to go ahead with the activity • have to reduce the scale of the activity • have to move the activity to another location • significantly delay the start of the activity Also consider: • the net impact of the activity including any likely effects of the proposed activity on other external bodies (i.e. a reduction in activities, outputs or employment)	
Value for money	Assess: • the reasonableness of costs and budgeting information provided by the external body • the expected social and/or economic benefits, against the level of grant funding required to produce these benefits	
Continuation of funding in the third sector	If the external body is seeking renewed funding: • evaluate the activities undertaken in the previous period to see whether they were delivered satisfactorily, as well as considering proposed future activities	
Sustainability	The proposal will need to evidence consideration of longer term sustainability of services.	
Collaborations (partnerships)	If proposed activities are to be delivered by a number of external bodies working in partnership, consider how the partnership will deliver the activity as a whole, rather than individually	
Risk Assessment	Consider any risks identified: • as a result of due diligence checks • during the appraisal that could affect the delivery of the proposed activities and the achievement of forecast outcomes: Where risks have been identified, consider: • possible mitigation actions • whether the overall level of risk, after any mitigation actions, is acceptable	
Quality Assessment	Consider: • the overall quality of the proposal, and/or • the most important aspects (e.g. environmental considerations, the level of innovation, economic impacts or the expected improvement in the lives of a particular disadvantaged group)	

ASSESSMENT APPROACHES AND METHODS		
Assessment approaches and methods	Consider which appraisal approach and method are appropriate for your funding programme. Possible assessment approaches include: • Appraisal report (may or may not be standard) • Appraisal pro-formas / templates • Templates for Quality Assessment and risk Assessment methods include: • Qualitative assessment • Responses to questions on a template • Scoring method (i.e. ratings or numeric values) • Mix of approaches/methods	
Moderation techniques	Consider whether you need to put any moderation process in place. Moderation helps to promote consistency and objectivity into appraisal process. Options include: • appraised proposals being randomly reviewed by a someone else from within the team • recommendations from different individuals being reviewed by one independent official • moderation panels to review recommendations (can be internal and/or external) • Panel minutes / notes should be taken and where adjustments are made to the scores, evidence of the agreement of the whole panel must be obtained and evidenced.	
RECOMMENDATIONS AND APPROVALS		
Overall appraisal assessment / recommendation	This should be evidence based and should include a brief summary of the findings from the appraisal and due diligence checks. It should also include, as appropriate: • background and history of the external body • the need for funding • the extent to which the funding programme criteria were met • the quality of the proposal (and total score if a scoring method is being used to prioritise applications) • expected outputs and outcomes and performance indicators/targets to be included in the award letter • any risks, concerns and any possible mitigation actions (including any additional recommended monitoring activities or conditions that should be included in the award letter) • how much funding should be awarded (if any), together with an explanation where an award of funding is not recommended or is	

	recommended at a lower level than requested by the external body Recommendations should be made by the appraising official or panel convened to review appraisal outcomes and make recommendations	
Approval	Consider what approval process needs to be put in place for your funding programme. The following need to be taken into consideration: • A recommendation for funding should be formally approved by a delegated official or the relevant minister. • A senior official must review the due diligence and appraisal and endorse the recommendation prior to approval, regardless of who approves it. • The approving officer must not have been involved in the appraisal. • Approvals must be formally documented and recorded.	
Filing	All the information relating to the process must be logically filed on ishare in compliance with Information and Records Management Policy.	